Radheyshyam Falod
B.Com. (Hons.), FCA
Aditya Maheshwari
B. Com., FCA, DISA (ICAI)

INDEPENDENT AUDITOR'S REPORT

To the Members of Angel Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Angel Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss, including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the 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 of the financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

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

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

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 such 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors is also responsible for 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; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules, 2016;

   E. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   G. Since no managerial remuneration for the year ended 31st March, 2023 has been paid / provided by the company to its directors, the provision of section 197 read with schedule V of the Act is not applicable to the Company for the year ended 31st March, 2023.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      a. In our opinion and according to the information and explanations given to us, the Company does not have any pending litigations which have impact on its financial position in its financial statements;

      b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

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

d.

i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e. The company has not declared any dividend during the year under review.

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 01st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 23031914BGXNVI9040

Place: Mumbai
Date : 13th April, 2023

Annexure "A" to the independent Auditor's Report

The Annexure A referred to in Independent Auditor's report to the Members of the Company on the Financial Statement for the year ended 31st March, 2023, we report that:

(i)	(a) (A) According to the information and explanation given to us and on the basis of our examination of the records of the Company, as the company does not hold any Property, Plant & Equipment, hence the requirement under paragraph 3(i)(a)(A) of the order are not applicable to the company. (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company. (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, as the company does not hold any Property, Plant & Equipment, hence the requirement under paragraph 3(i)(b), (c) and (d) of the order are not applicable to the company. (c) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
(ii)	(a) According to the information and explanation given to us, the Company's business carried out during the year does not require maintenance of inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order is not applicable to the company. (b) According to the information and explanation given to us, the Company does not have any working capital limits from banks or financial institutions during the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
(iii)	(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company. (b) During the year the investment made by the Company are not prejudicial to the Company's interest. (c) In respect of a loan granted to Companies in earlier years, the schedule of repayment of principal has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal in respect of such loan. Further the loans granted in earlier years have been repaid fully during the year. (d) There are no amounts of loans granted to Companies which are overdue for more than ninety days.

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

	(e) There were no loans or advance in the nature of loan granted to Companies which had fallen due during the year. However, the loans granted in earlier years have been repaid fully during the year. (f) As disclosed in note no. 6 to the financial statements, the Company has granted loans without specifying any terms or period of repayment to Companies in earlier years. However, the loans granted in earlier years have been repaid fully during the year.
(iv)	According to the information and explanations given to us, the provision of section 186 of Companies Act, 2013 in respect of loans and advances given and investments made have been complied with by the company. In our opinion and according to the information and explanations given to us, there are no guarantees given in respect of which provisions of section 185 and section 186 of the Act are applicable and hence not commented upon.
(v)	According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence the directives issued by Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable.
(vi)	We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Therefore, the provision of clause 3 (vi) is not applicable.
(vii)	(a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they become payable. As informed to us sales tax, duty of customs, duty of excise are currently not applicable to the company. (b) As per the records maintained by the company and according to the information and explanation given to us, there is no disputed income tax or wealth tax or goods and service tax or duty of customs or duty of excise or cess which have not been deposited on account of any dispute.
(viii)	As per the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
(ix)	(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company. (b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

	(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company. (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company. (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company. (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
(x)	(a) According to the information and explanations given to us, the Company has not raised money through initial public offer or further public offer (including debt instruments) and term loans and hence the provisions of paragraph 3(ix) of the Order are not applicable. (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
(xi)	(a) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management. (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
(xii)	The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.
(xiii)	According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 188 of the Act, wherever applicable, details of such transactions are disclosed in the Financial Statements as required by the applicable accounting standards.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

	The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
(xiv)	(a) The Company has an internal audit system commensurate with the size and nature of its business. (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
(xv)	According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of section 192 of Companies Act, 2013 are not applicable.
(xvi)	(a) As per the Reserve Bank of India's Circular "DNBR.PD.001/ 03.10.119/2016-17", dated 25th August, 2016, the Company being a stock broker is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company. (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company. (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
(xvii)	According to the information and explanations given to us, the company has incurred cash losses amounting to Rs. 1.47 Mn in the financial year. The company has not incurred any cash losses in the immediately preceding financial year.
(xviii)	There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
(xix)	On the basis of the financial ratios, ageing and expected dates of realization of financial assets, and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

	We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)	According to the information and explanations given to us and based on our examination of the financial statement of the company the provisions of Section 135 of the Act is not applicable to the Company and hence, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.
(xxi)	According to the information and explanations given to us and based on our examination of the financial statement of the company, since the company does not have any subsidiaries or associates or joint venture, the Company is not required to prepare Consolidated Financial Statements and hence, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 23031914BGXNVI9040

Place: Mumbai
Date : 13th April, 2023

Annexure "B" to the Independent Auditor's Report

Annexure B to the independent Auditor's report of even date on the financial statements of Angel Securities Limited.

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

We have audited the internal financial controls over financial reporting of Angel Securities Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the 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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 23031914BGXNVI9040

Place: Mumbai
Date : 13th April, 2023

Angel Securities Limited

Balance Sheet as at 31 March 2023

(Rs. in Millions)

	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4	13.16	12.47
(b) Bank Balance other than Cash and cash equivalents	5	67.40	10.77
(c) Loans	6	-	20.09
(d) Investments	7	-	48.01
(e) Other Financial assets	8	27.27	18.84
Non-financial Assets			
(a) Current Tax assets (Net)	9	0.88	0.43
(b) Deferred tax assets (Net)	10	0.10	-
(c) Other non-financial assets	11	3.27	2.52
Total Assets		**112.08**	**113.14**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Other financial liabilities	12	0.45	0.19
Non-Financial Liabilities			
(a) Deferred tax Liabilities (Net)	10	-	0.06
(b) Provisions	13	0.03	0.01
(c) Other non-financial liabilities	14	0.04	0.01
EQUITY			
(a) Equity Share capital	15	55.00	55.00
(b) Other Equity	16	56.56	57.87
Total Liabilities and Equity		**112.08**	**113.14**

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Angel Securities Limited

S menon

Prabhakar Tiwari

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari
Director
DIN : 07393806

PBodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 13 April 2023

Place : Mumbai
Date : 13 April 2023

Angel Securities Limited

Statement of Profit and Loss for the year ended 31 March 2023

(Rs. in Millions)

	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations			
(a) Interest income	17	2.10	5.06
(b) Net gain on fair value changes	18	2.43	0.58
Total Revenue from operations (I)		**4.53**	**5.64**
(c) Other income (II)	19	0.05	-
Total Income (I+II=III)		**4.58**	**5.64**
Expenses			
(a) Employee Benefits Expenses	20	1.00	0.64
(b) Others expenses	21	5.05	1.48
Total Expenses (IV)		**6.05**	**2.12**
Profit / (loss) before tax (III-IV=V)		**(1.47)**	**3.52**
Tax Expense:			
(a) Current Tax	10	-	0.55
(b) Deferred Tax	10	(0.16)	0.37
(c) Taxes for earlier years	10	-	0.01
Total income tax expense (VI)		**(0.16)**	**0.93**
Profit / (loss) for the year (V-VI=VII)		**(1.32)**	**2.59**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains / (losses) on defined benefit plans		(0.00)	0.00
(b) Income tax relating to above items	10	0.00	(0.00)
Other Comprehensive Income (VIII)		**(0.00)**	**0.00**
Total Comprehensive Income for the year (VII+VIII)		**(1.32)**	**2.59**
Earnings per equity share (FV Rs. 10 each)	22		
Basic & diluted EPS (Rs.)		(0.24)	0.47
Diluted EPS (Rs.)		(0.24)	0.47

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 13 April 2023

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari

Prabhakar Tiwari
Director
DIN : 07393806

PKBodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 13 April 2023

Angel Securities Limited

Cash Flow Statement for the year ended 31 March 2023

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Net profit / (loss) before tax	(1.47)	3.52
Adjustments for Non cash and non-operating activities:		
Interest on fixed deposits	(1.81)	(0.61)
Interest on inter corporate deposits	(0.29)	(4.45)
(Profit) / Loss on financial instruments designated at fair value through profit or loss	(2.43)	(0.58)
Operating loss before working capital changes	**(6.00)**	**(2.12)**
Changes in working capital		
(Decrease) / increase in trade payables	-	(0.09)
(Decrease) / increase in financial liabilities	0.26	(0.01)
(Decrease) / increase in other non-financial liabilities	0.03	(0.00)
(Decrease) / increase in provision	0.02	(0.00)
(Increase) / Decrease in financial/non-financial assets	(9.17)	(0.11)
(Increase) / Decrease in other bank balance	(56.64)	(0.56)
Cash generated / (used in) operations	**(71.50)**	**(2.89)**
Income tax paid / (received)	(0.46)	(7.47)
Net cash flow generated from / (used in) operating activities (A)	**(71.96)**	**(10.36)**
B. Cash flow from Investing activities		
Repayment of Inter Corporate Deposits given	20.09	39.91
Investment in units of mutual fund	(215.83)	(43.02)
Redemption in units of mutual fund	266.29	-
Interest on inter corporate deposits received	0.29	4.45
Interest received on fixed deposit	1.81	0.61
Net cash flow generated from / (used in) investing activities (B)	**72.65**	**1.95**
C. Cash flow from Financing activities (C)	-	-
Net (decrease) / increase in cash and cash equivalents (A+B+C)	0.69	(8.41)
Cash and cash equivalents at the beginning of the year	12.47	20.89
Cash and cash equivalents at the end of the year	**13.16**	**12.47**
Cash and cash equivalents comprise		
Balances with banks		
In current accounts	13.16	12.25
Cheques in hand	-	0.22
Total cash and bank balances at end of the year	**13.16**	**12.47**

Notes:

1. The above statement of cash flow has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flow".

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 13 April 2023

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari
Director
DIN : 07393806

PK Bodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 13 April 2023

Angel Securities Limited

Statement of Changes in Equity for the year ended 31 March 2023

A Equity Share Capital

(Rs. in Millions)

	Amount
Equity Shares of Rs. 10 issued, subscribed and fully paid up	
Balance as at 01 April 2021	**55.00**
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the previous reporting year	55.00
Changes in equity share capital	-
Balance as at 31 March 2022	**55.00**
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting year	55.00
Changes in equity share capital	-
Balance as at 31 March 2023	**55.00**

B Other Equity (Refer Note 16)

(Rs. in Millions)

	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance at 01 April 2021	0.68	54.59	55.28
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting year	0.68	54.59	55.28
Profit for the year	-	2.59	2.59
Other comprehensive income for the year	-	0.00	0.00
Total Comprehensive Income for the year	-	2.59	2.59
Interim Dividend	-	-	-
Balance at 31 March 2022	0.68	57.18	57.87
Balance at 01 April 2022	0.68	57.18	57.87
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting year	1.37	114.36	115.75
Profit for the year	-	(1.32)	(1.32)
Other comprehensive income for the year	-	(0.00)	(0.00)
Total Comprehensive Income for the year	-	(1.32)	(1.32)
Balance as at 31 March 2023	0.68	55.86	56.56

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari
Director
DIN : 07393806

PK Bodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 13 April 2023

Place : Mumbai
Date : 13 April 2023

1 Corporate information

Angel Securities Limited ('the Company') is a public limited company incorporated and domiciled in India and is a 100% subsidiary of Angel One Limited (formerly known as Angel Broking Limited) ('the Holding Company'). The company is primarily engaged in Institutional broking business. The Company is a member of National Stock Exchange of India Limited (NSE) in Cash and Future & Option segments and BSE Limited (BSE) in Cash segment. During the year further the Company has applied for membership in additional segment of National Stock Exchange Limited (NSE) in Currency Derivatives, Multi Commodity Exchange of India Limited (MCX), National Commodity Derivatives Exchange Limited (NCDEX) and for depository participant with Central Depository Services (India) Limited (CDSL).

The registered office of the company is situated at 601, 6th Floor, Ackruti Star, Central Road, MIDC, Andheri (E), Mumbai - 400 093.

2 Basis of Preparation and presentation

The financial statements (Financial Statements) of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the financial year presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the companies Act, as amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities and defined benefit- plan liabilities being measured at fair value.

These financial statements are presented in Indian Rupees (INR)/(Rs.), which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

The financial statements for the year ended 31 March 2023 are being authorised for issue in accordance with a resolution of the directors on 13 April 2023.

Significant accounting policy

2.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises 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 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: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

(i) Brokerage fee income

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when trade is executed). These include brokerage fees which is charged per transaction executed.

(ii) Dividend income

Dividend income is recognised when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

2.2 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

(ii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

(iii) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used are noted in the table below:-

Property Plant and equipment	Useful life (In Years)
Air conditioner	5
Office equipments	5
Computer equipment	3 to 6
Furniture & fixtures	10
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arisig from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of Profit and Loss when the item is derecognised.The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

2.3 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 5 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

The residual values, useful lives and methods of amortisatioin are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

2.4 Financial instruments

(i) Date of recognition

Financial assets and financial liabilities are recongnised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(ii) Initial measurement

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Recongnised financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recongnition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(iii) Classification and subsequent measurement

(A) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories :

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit or loss ('FVTPL')

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(a) **Financial assets carried at amortised cost**

A financial assets is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held to collect contractual cash flows'); and
- the contractual terms of the finacial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recongnised in profit or loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in profit or loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(b) **Financial assets at fair value through other comprehensive income**

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except interest / dividend income which is recognised in profit and loss. Amounts recorded in OCI are subsequently transferred to the statement of profit and loss in case of debt instruments. However, in case of equity instruments it will be directly transferred to reserves. Equity instruments at FVOCI are not subject to an impairment assessment.

(c) **Financial assets at fair value through profit and loss**

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss. The Company records investments in equity instruments at FVTPL.

(B) **Financial liabilities and equity instrument**

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.

(a) **Equity instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(b) **Financial liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are initially recognised at fair value and subsequently determined based on the EIR method. Interest expense is recognised in profit or loss. Any gain or loss on de-recognition of financial liabilities is also recognised in profit or loss. The company does not have any financial liability which are measured at FVTPL.

(iv) **Reclassification**

Financial assets are not reclassified subsequent to their initial recongntion, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

(v) **Derecognition**

(A) **Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss (except for equity instruments measured at FVOCI).

(B) **Financial liabilities**

A financial liability is derecongnised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recongnition of a new liability. In this case, a new financial liability based on the modified terms is recongnised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recongnised in profit or loss.

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(vi) Impairment of financial assets

A) Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for all trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.

B) Other financial assets:

For recognition of impairment loss on 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 subsequent years, 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.

Life time ECLs 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 year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.5 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.6 Impairments of Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.7 Retirement and other employee benefits

(i) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(ii) Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with The Payment of Gratuity Act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefit vest after five years of continuous service.

The company's gratuity scheme is a defined benefit plan. The company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior period. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iii) Compensated absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing compensated absences are determined using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in acturial assumptions are recognised in statement of Profit nd Loss.

(iv) Presentation

For the purpose of presentation of defined benefit plans and other long term employee benefits, the allocation between current and non-current has been made as determined by an actuary.

2.8 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to effect cuent management estimates. Contingent liabilities are recognised when there is possible obligation arising from past events.

2.9 Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(i) Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognised amounts, and it intends to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets arising mainly on account of carry forward losses and unabsorbed depreciation under tax laws are recognised only if there is reasonable certainty of its realisation, supported by convincing evidence.

Deferred tax assets on account of other temporary differences are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Changes in deferred tax assets / liabilities on account of changes in enacted tax rates are given effect to in the standalone statement of profit and loss in the period of the change. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

Deferred tax assets and deferred tax liabilities are off set when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.10 Earning per share (basic and diluted)

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.11 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.12 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD *

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. Following are estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet:

3.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

3.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

3.3 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to base rate and other fee income/expense that are integral parts of the instrument.

3.4 Provisions and other contingent liabilities

The company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

3.5 Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

3.6 Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation 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.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES

Angel Securities Limited
Notes forming part of the financial statements for the year ended 31 March 2023

4 Cash and cash equivalents

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Balances with banks		
In current accounts	13.16	12.25
Cheques in hand	-	0.22
Total	**13.16**	**12.47**

5 Bank balances other than cash and cash equivalent

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Fixed deposits with maturity between 3 to 12 months*	66.68	-
Fixed deposit with maturity for more than 12 months*	-	9.88
Accrued interest on fixed deposit	0.72	0.89
Total	**67.40**	**10.77**

* Breakup of deposits

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Fixed deposits under lien with stock exchanges**	16.68	9.88
Fixed deposits free from charges	50.00	-
Total	**66.68**	**9.88**

** The above fixed deposits are under lien with stock exchange as security deposits and minimum base capital requirements / arbitration matters.

6 Loans

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Inter Corporate Deposits	-	20.09
Total	**-**	**20.09**

As at 31 March 2023

Type of Borrower	Amount of loan (Rs. in Millions)	Percentage to total Loans
Related parties	-	0.00%

As at 31 March 2022

Type of Borrower	Amount of loan (Rs. in Millions)	Percentage to total Loans
Related parties	20.09	100.00%

7 Investments

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Investments measured at Fair Value through Profit or Loss		
Investment in mutual funds	-	48.01
Total	**-**	**48.01**

(a) Details of Investments

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Investments measured at Fair Value through Profit or Loss		
Investment in mutual funds		
NIL units (31 March 2022 - 1,52,300.185 units) of ICICI Prudential Liquid Fund DP Growth of NAV Rs. NIL (NAV as on 31 March 2022 : Rs. 315.256 per Unit)	-	48.01
Total	**-**	**48.01**

MAHESHWARI & CO. FIRM No. 105834W MUMBAI CHARTERED ACCOUNTANTS

Angel Securities Limited
Notes forming part of the financial statements for the year ended 31 March 2023

8 Other Financial Assets

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Security deposits (Refer note (a) below)	27.27	18.76
Other receivables	0.00	0.08
Total	**27.27**	**18.84**

(a) Break-up of Security Deposits

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Security deposits - Stock exchanges*	27.00	18.50
Security deposits - Others	0.27	0.26
Total	**27.27**	**18.76**

* The deposits are kept with stock exchanges as security deposits and minimum base capital requirements.

9 Current Tax assets (Net)

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Advance payment of taxes and tax deducted at source [Net of MAT credit utilised: Rs. NIL (31 March 2022 Rs. 0.23 Mn) and provision for taxation: Rs. 1.55 Mn (31 March 2022 Rs 2.10 Mn)	0.88	0.43
Total	**0.88**	**0.43**

10 Deferred tax asset / (liability) (net)

(A) Deferred tax relates to the following:

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets		
- Provision for gratuity	0.00	0.00
- Provision for compensated absences	0.01	0.00
Minimum alternate tax	0.09	0.09
	0.10	**0.10**
Deferred tax liabilities		
- Fair valuation of investments	-	0.15
	-	**0.15**
Deferred tax asset / (liability) (net)	**0.10**	**(0.06)**

* Deferred tax asset and deferred tax liability have been offset as they relate to the same governing taxation laws.

(B) The movement in deferred tax assets and liabilities during the year:

(Rs. in Millions)

	Amount
Deferred tax assets / (liabilities)	
As at 01 April 2021	**0.31**
Expense allowed in the year of payment (Gratuity and compensated absences)	(0.00)
Minimum alternate tax	(0.23)
Fair valuation of investments	(0.14)
As at 31 March 2022	**(0.06)**
Expense allowed in the year of payment (Gratuity and compensated absences)	0.00
Minimum alternate tax	-
Fair valuation of investments	0.15
As at 31 March 2023	**0.10**

(C) **Income tax expense in Statement of Profit and Loss**

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Current Tax		
Current tax on taxable income for the year	-	0.55
Total current tax expense	-	**0.55**
Deferred tax		
Deferred tax charge / (income)	(0.16)	0.14
MAT credit (taken) / utilised	-	0.23
Total deferred income tax expense / (benefit)	**(0.16)**	**0.37**
MAT credit adjustment of earlier years		-
Tax in respect of earlier years	-	0.01
Total income tax expense	**(0.16)**	**0.92**

(D) **Income Tax recognised in other comprehensive income**

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Deferred tax relating to items that will not reclassified to statement of profit or loss	0.00	(0.00)
Total	**0.00**	**(0.00)**

(E) **Reconciliation of tax charge**

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Profit before tax	(1.47)	3.52
Enacted income tax rate in India	26.00%	26.00%
Tax amount at the enacted income tax rate	(0.38)	0.92
Tax effects of:		
Non- deductible expenses for tax purpose	0.00	0.00
Tax in respect of earlier years	-	0.01
Loss on which DTA is not created	0.22	-
Others	-	0.00
Total tax expense charged to the statement of profit and loss	**(0.16)**	**0.93**
Effective tax rate	0.00%	26.31%

11 **Other Non Financial Assets**

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Prepaid expenses	-	0.02
Advance to vendor	0.01	0.01
Balance with government authorities	3.26	2.49
Total	**3.27**	**2.52**

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

12 Other Financial liabilities

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Employee benefits payable	0.09	0.09
Expense payable	0.27	0.08
Payable to holding company	0.04	0.02
Other payables	0.05	0.00
Total	**0.45**	**0.19**

13 Provisions

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- Provision for gratuity (Refer Note 24)	0.01	0.00
- Provision for leave encashment	0.02	0.01
Total	**0.03**	**0.01**

14 Other Non Financial Liabilities

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	0.04	0.01
Total	**0.04**	**0.01**

15 Equity Share Capital

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Authorized		
5,00,00,000 (31 March 2022: 60,00,000) equity shares of Rs. 10/- each)	500.00	60.00
Total	**500.00**	**60.00**
Issued, Subscribed and paid up		
55,00,300 (31 March 2022: 55,00,300) equity shares of Rs. 10/- each)	55.00	55.00
Total	**55.00**	**55.00**

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

	As at 31 March 2023	As at 31 March 2022
Outstanding at the beginning of the year	55,00,300	55,00,300
Add: Changes during the year	-	-
Outstanding at the end of the year	**55,00,300**	**55,00,300**

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company after distribution to all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

	As at 31 March 2023	As at 31 March 2022
Angel One Limited (formerly known as Angel Broking Limited)		
5,500,300 (31 March 2022: 5,500,300) equity shares of Rs. 10/- each, fully paid up	55,00,300	55,00,300

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(i)

	As at 31 March 2023	
Name of the shareholder	Number of shares	% of holding
Angel One Limited (formerly known as Angel Broking Limited)	55,00,300	100%
Total	**55,00,300**	**100%**

(ii)

	As at 31 March 2022	
Name of the shareholder	Number of shares	% of holding
Angel One Limited (formerly known as Angel Broking Limited)	55,00,300	100%
Total	**55,00,300**	**100%**

(e) Details of shares held by promoters at as on 31 March 2023

Promoter name	Number of shares	% of total shares	% Change during the year
Angel One Limited (formerly known as Angel Broking Limited)	55,00,300	100%	0%
Total	**55,00,300**	**100%**	**0%**

Details of shares held by promoters at as on 31 March 2022

Promoter name	Number of shares	% of total shares	% Change during the year
Angel One Limited (formerly known as Angel Broking Limited)	55,00,300	100%	0%
Total	**55,00,300**	**100%**	**0%**

16 Other Equity

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
General reserve	0.68	0.68
Retained earnings	55.88	57.19
Total	**56.56**	**57.87**

A General reserve

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Opening balance	0.68	0.68
Add: Changes during the year	-	-
Closing balance	**0.68**	**0.68**

B Retained Earnings

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Opening balance	57.19	54.60
Add: Net profit for the year	(1.31)	2.59
Less: Other comprehensive income for the year	0.00	(0.00)
Closing balance	**55.88**	**57.19**

Nature and purpose of reserves

(i) General Reserve

General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to Shareholders. It also includes remeasurement gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

FALOD & MAHESHWARI * FIRM NO. 151031W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the financial statements for the year ended 31 March 2023

17 Interest income

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial assets measured at amortised cost		
Interest on fixed deposits from banks	1.81	0.61
Interest Income on intercorporate deposits	0.29	4.45
Total	**2.10**	**5.06**

18 Net gain on fair value changes

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Investment in Mutual Funds	2.43	0.58
Total net gain on fair value changes	**2.43**	**0.58**
Fair value changes:		
-Realised	2.43	-
-Unrealised	-	0.58
	2.43	**0.58**

Fair value changes in this schedule are other than those arising on account of interest income/expense.

19 Other Income

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Excess provision written back	0.05	-
Miscellaneous Income	0.00	-
Total	**0.05**	**-**

20 Employee benefits expenses

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, allowances, Incentives and bonus	0.97	0.60
Contribution to provident and other funds (refer note 26)	0.03	0.03
Gratuity expenses (refer note 26)	0.00	0.00
Compensated absences expenses	(0.01)	0.01
Training and recruitment expenses	0.00	-
Staff welfare expenses	0.01	0.00
Total	**1.00**	**0.64**

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

21 Other expenses

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent, rates and taxes	0.13	0.09
Communication expenses	0.00	0.01
Legal and professional charges	1.35	0.18
Insurance	0.02	0.10
Software connectivity license/maintenance expenses	0.13	0.71
Electricity expenses	0.01	0.00
Demat charges	0.00	0.01
Bank charges	0.00	0.05
Membership and subscription fees	2.82	0.13
Interest on income tax	0.00	0.00
Auditors' remuneration*	0.08	0.06
SEBI Expenses	-	0.05
Miscellaneous Expenses	0.51	0.08
Total	**5.05**	**1.48**

* The following is the break-up of Auditor's remuneration (excluding input credit of GST availed, if any)

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit fees (excluding taxes)	0.06	0.06
For other services - Certifications	0.02	-
Reimbursement of expenses	0.01	0.00
Total	**0.08**	**0.06**

Pursuant to requirements of Section 135 of Companies Act, 2013 the company is not required to contribute to CSR.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD.

22 **Earnings / (loss) per share**

(Rs. in Millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit / (loss) attributable to all the equity holders	(1.31)	2.59
Weighted average number of equity shares outstanding	55,00,300	55,00,300
Basic & diluted earnings/(loss) per share (Rs.) (FV of Rs. 10 per share)	(0.24)	0.47

23 **Contingent liabilities**

There are no contingent liabilities as at the reporting date.

24 **Employee benefits**

(A) **Defined contribution plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Employers' Contribution to Provident Fund and Employee State Insurance	0.03	0.03

(B) **Defined benefit plans**

Gratuity payable to employees

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Discount rate

Discount rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep and secondary bond market in India, government bond yields are used to arrive at the discount rate.

Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

(i) **Actuarial assumptions**

	As at 31 March 2023	As at 31 March 2022
<u>Economic assumptions</u>		
Discount rate (per annum)	7.31%	6.58%
Rate of increase in salary	3.00%	3.00%
<u>Demographic assumptions</u>		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover/Withdrawal rate		
(A) Sales Employees		
(i) For service less than 4 years	92.00%	92.00%
(ii) Thereafter	31.00%	31.00%
(B) Non-sales employees		
(i) For service less than 4 years	48.00%	48.00%
(ii) Thereafter	17.00%	17.00%
Retirement age	58 years	58 years

(ii) **Amount recognised in balance sheet**

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Present value of unfunded defined benefit obligation	0.01	0.00
Fair value of plan assets	-	-
Net asset / (liability) recognized in Balance Sheet	**0.01**	**0.00**
Current benefit obligation	0.00	0.00
Non-current obligation	0.01	0.00
Net asset / (liability) recognized in Balance Sheet	**0.01**	**0.00**

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(iii) Changes in the present value of defined benefit obligation (DBO)

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	0.00	0.00
Interest cost	0.00	0.00
Net current Service cost	0.00	0.00
Benefits paid	-	-
Actuarial (gain)/ loss on obligations		
- Due to effect of Change in financial assumptions	(0.00)	(0.00)
- Due to effect of Change in demographic assumptions	-	0.00
- Due to effect of experience adjustments	0.00	(0.00)
Acquisition/Business Combination/Divestiture (Transfer Out)	-	-
Acquisition/Business Combination/Divestiture (Transfer In)	0.00	0.00
Present value of obligation at the end of the year	**0.01**	**0.00**

(iv) Expense recognized in the Statement of Profit and Loss

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Current service cost	0.00	0.00
Interest cost	0.00	0.00
Total expenses recognized in the Statement Profit and Loss	**0.00**	**0.00**

(v) Expense recognized in Other comprehensive income (OCI)

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Actuarial (gain) / loss on Obligation for the year		
- Effect of change in financial assumptions	(0.00)	(0.00)
- Effect of Change in demographic assumptions	-	0.00
- Effect of experience adjustments	0.00	(0.00)
Net actuarial (gains) / losses recognised in OCI	**0.00**	**(0.00)**

(vi) Quantitative sensitivity analysis

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Impact on defined benefit obligation		
Discount rate		
1% increase	(0.00)	(0.00)
1% decrease	0.00	0.00
Rate of increment in salary		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)
Withdrawal rate		
1% increase	(0.00)	(0.00)
1% decrease	0.00	0.00

(vii) Maturity profile of defined benefit obligation

(Rs. in Millions)

Year	As at 31 March 2023	As at 31 March 2022
Within next 12 months	0.00	0.00
Between 2 and 5 years	0.00	0.00
Between 6 and 10 years	0.01	0.00
Beyond 10 years	0.00	0.00
Total expected payments	**0.01**	**0.00**

25 Leases

Information about lease

The Company has taken office premises at certain location on short term lease.

Short term and low value lease:

Rental expense incurred and charged to statement of profit and loss for short term leases was Rs. 0.12 Mn (31 March 2022: Rs. 0.07 Mn).

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the financial statements for the year ended 31 March 2023

26 Related Party Disclosures:

(A) Names of related parties and nature of relationship

		Ownership Interest	
		As at 31 March 2023	As at 31 March 2022
a) Holding Company			
Angel One Limited (formerly known as Angel Broking Limited)	India	100%	100%
b) Fellow Subsidiary Company			
Angel Fincap Private Limited	India		
Angel Financial Advisors Private Limited	India		
Mimansa Software Systems Private Limited	India		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	India		
c) Individuals owning directly or indirectly interest and voting power that gives them control			
Mr. Dinesh Thakkar			

(B) Details of transactions with related party in the ordinary course of business

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Holding company		
Angel One Limited (formerly known as Angel Broking Limited)		
Rent paid	0.08	0.07
Expenses of the Company incurred by holding company	0.04	0.02
Fellow subsidiaries		
Angel Financial Advisors Private Limited		
Expenses of the Company incurred by fellow subsidiary	0.00	-
Angel Fincap Private Limited		
Expenses of the fellow subsidiary paid by Company	0.00	-
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)		
Expenses of the fellow subsidiary paid by Company	0.00	-
Angel Fincap Private Limited		
Interest received	0.30	4.45
Repayment of inter corporate deposit given	20.09	39.91

(C) Amount due to/from related party as on:

(Rs. in Millions)

	As at 31 March 2023	As at 31 March 2022
Holding company		
Payable to Angel One Limited (formerly known as Angel Broking Limited)	0.04	0.02
Fellow subsidiaries		
Other Payable		
Angel Financial Advisors Private Limited	0.00	-
Other Receivable		
Angel Fincap Private Limited	0.00	
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	0.00	
Intercorporate deposit		
Angel Fincap Private Limited - Intercorporate deposit given	-	20.09

27 **Segment Reporting**

The Company's operations predominantly relate to institutional broking business and is the only operating segment of the Company. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

28 Fair value measurement

A **Classification of financial assets and financial liabilities:**

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through other comprehensive income, Fair value through Profit and Loss (FVTPL) and Amortised Cost.

(Rs. in Millions)

	FVOCI	FVTPL	Amortised Cost
As at 31 March 2022			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	12.47
Bank Balance other than cash and cash equivalent	-	-	10.77
Loans	-	-	20.09
Investments	-	48.01	-
Other Financial assets	-	-	18.84
Total Financial Assets	-	48.01	62.18
Financial Liabilities			
Other financial liabilities	-	-	0.19
Total Financial liabilities	-	-	0.19
As at 31 March 2023			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	13.16
Bank Balance other than cash and cash equivalent	-	-	67.40
Other Financial assets	-	-	27.27
Total Financial Assets	-	-	107.83
Financial Liabilities			
Other financial liabilities	-	-	0.45
Total Financial liabilities	-	-	0.45

B **Fair Value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

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

Fair value measurement hierarchy of assets and liabilities

(Rs. in Millions)

	Level 1	Level 2	Level 3
As at 31 March 2022			
Financial assets			
* Measured at fair value through profit or loss			
Investments in Mutual funds	48.01	-	-
As at 31 March 2023			
Financial assets			
* Measured at fair value through profit or loss			
Investments in Mutual funds	-	-	-

The carrying amount of cash and bank balances, trade receivables, trade payables, and other receivables and payables are considered to be the same as their fair values as they are short term in nature. The fair values of borrowings and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

* **Valuation techniques used to determine fair value :**

Specific valuation techniques used to value financial instruments includes quoted equity investments valued on quoted closing price on stock exchange and mutual funds based on closing NAV.

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

29 **Financial Risk Management Objectives And Policies**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at each reporting date, the company does not have borrowings, therefore it is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at each reporting date, the company does not have exposure in foreign currency, therefore it is not exposed to currency risk.

(B) **Credit risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.
The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors. These deposits do not have any credit risk.
The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

(C) **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

(Rs. in Millions)

	0 - 1 year	1-2 year	2-3 year	3-4 year	Beyond 4 years	Total
As at 31 March 2022						
Other financial liabilities	0.19	-	-	-	-	0.19
	0.19	-	-	-	-	0.19
As at 31 March 2023						
Other financial liabilities	0.45	-	-	-	-	0.45
	0.45	-	-	-	-	0.45

30 CAPITAL MANAGEMENT

Risk Management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / repay debt. The primary objective of the Company's capital management is to maximise the shareholders' value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing.

(Rs. in Millions)

		As at 31 March 2023	As at 31 March 2022
Borrowings		-	-
Less: Cash and Marketable securities		13.16	60.49
Net debt	(i)	(13.16)	(60.49)
Total Equity	(ii)	111.56	112.88
Gearing ratio	(i)/(ii)	(0.12)	(0.54)

FALOD & MAHESHWARI ★ CHARTERED ACCOUNTANTS ★ FIRM NO. 151051W MUMBAI

ANGEL SECURITIES LTD.

31 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(Rs. in Millions)

	As at 31 March 2022		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	12.47	-	12.47
Bank Balance other than cash and cash equivalent	5.80	4.97	10.77
Investments	48.01	-	48.01
Loans	20.09	-	20.09
Other Financial assets	0.08	18.76	18.84
Tax assets (Net)	-	0.43	0.43
Other non-financial assets	2.52	-	2.52
Total Assets	**88.98**	**24.17**	**113.15**
Liabilities			
Tax liabilities (Net)	-	0.06	0.06
Provisions	0.01	0.00	0.01
Other financial liabilities	0.19	-	0.19
Other non-financial liabilities	0.01	-	0.01
Total Liabilities	**0.21**	**0.06**	**0.26**

(Rs. in Millions)

	As at 31 March 2023		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	13.16	-	13.16
Bank Balance other than cash and cash equivalent	67.40	-	67.40
Other Financial assets	0.00	27.27	27.27
Tax assets (Net)	-	0.88	0.88
Deferred tax assets (Net)	-	0.10	0.10
Other non-financial assets	3.27	-	3.27
Total Assets	**83.83**	**28.25**	**112.08**
Liabilities			
Provisions	0.01	0.01	0.03
Other Financial liabilities	0.45	-	0.45
Other non-financial liabilities	0.04	-	0.04
Total Liabilities	**0.50**	**0.01**	**0.52**

32 **Dividend**

No final dividend has been proposed or paid during the year ended 31 March 2023 and 31 March 2022.

33 **Other Statutory Disclosures**

a. The company does not hold any benami property and no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. The Company is not declared wilful defaulter by any bank or financial institution or other lender.

c. There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

d. Disclosure of ratios, is not applicable to the company as it is in broking business and not an NBFC registered under section 45-IA of Reserve Bank of India Act, 1934.

e. During the year ended 31 March 2023, the Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. During the year ended 31 March 2023, the Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Company did not have any transactions which had not been recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

34 Subsequent Events

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.

35 The previous period / year figures have been regrouped / reclassified wherever necessary to conform to current period's / year's presentation.

36 The financial statements of the company were authorised for issue in accordance with a resolution of the directors on 13 April 2023.

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari

Prabhakar Tiwari
Director
DIN : 07393806

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 13 April 2023

Place : Mumbai
Date : 13 April 2023

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Angel Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Angel Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss, including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

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

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

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 such 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors is also responsible for 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; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules, 2016;

   E. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

   G. Since no managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the company to its directors the provision of section 197 read with schedule V of the Act is not applicable to the Company for the year ended 31st March, 2022.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      a. In our opinion and according to the information and explanations given to us, the Company does not have any pending litigations which have impact on its financial position in its financial statements;

      b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

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

d.

i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e. The company has not declared any dividend during the year under review.

f. The effective date of feature of recording audit trail (edit log) facility in accounting software for maintaining its books of account and the audit trail feature has been deferred till 01st April, 2023 and hence the same is not being commented upon.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 22031914AHFUPZ1988

Place: Mumbai
Date : 16th April, 2022

Annexure "A" to the independent Auditor's Report

The Annexure A referred to in Independent Auditor's report to the Members of the Company on the Financial Statement for the year ended 31st March, 2022, we report that:

<table>
<tr><td>(i)</td><td>(a) (A) According to the information and explanation given to us and on the basis of our examination of the records of the Company, as the company does not hold any Property, Plant & Equipment, hence the requirement under paragraph 3(i)(a)(A) of the order are not applicable to the company.

(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, as the company does not hold any Property, Plant & Equipment, hence the requirement under paragraph 3(i)(b), (c) and (d) of the order are not applicable to the company.

(c) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.</td></tr>
<tr><td>(ii)</td><td>(a) According to the information and explanation given to us, the Company's business carried out during the year does not require maintenance of inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order is not applicable to the company.

(b) According to the information and explanation given to us, The Company does not have any working capital limits from banks or financial institutions during the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.</td></tr>
<tr><td>(iii)</td><td>(a) During the year the Company has granted loans to Companies as follows:
<table><tr><td></td><td>Loans (Rs. in millions)</td></tr><tr><td>Aggregate amount granted during the year</td><td></td></tr><tr><td>- Fellow Subsidiaries</td><td>0.00</td></tr><tr><td>Balance outstanding as at balance sheet date in respect of above cases</td><td></td></tr><tr><td>- Fellow Subsidiaries</td><td>20.09</td></tr></table>
(b) During the year the investment made by the Company are not prejudicial to the Company's interest.

(c) In respect of a loan granted to Companies, the schedule of repayment of principal has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal in respect of such loan. Further where the schedule of interest has been stipulated and the receipts are regular.</td></tr>
</table>

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

(d) There are no amounts of loans granted to Companies which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to Companies which had fallen due during the year.

(f) As disclosed in note 12 to the financial statements, the Company has granted loans without specifying any terms or period of repayment to Companies. Of these, following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	**Related Parties**
Aggregate amount of loans outstanding	Rs. 20.09 Mn
Percentage of loans to the total loans	100.00%

(iv) According to the information and explanations given to us, the provision of section 186 of Companies Act, 2013 in respect of loans and advances given and investments made have been complied with by the company. In our opinion and according to the information and explanations given to us, there are no guarantees given in respect of which provisions of section 185 and section 186 of the Act are applicable and hence not commented upon.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence the directives issued by Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable.

(vi) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Therefore, the provision of paragraph 3 (vi) is not applicable.

(vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they become payable. As informed to us sales tax, duty of customs, duty of excise are currently not applicable to the company.

(b) As per the records maintained by the company and according to the information and explanation given to us, there is no disputed income tax or wealth tax or goods and service tax or duty of customs or duty of excise or cess which have not been deposited on account of any dispute.

(viii) As per the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

(ix)	(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company. (b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or any other lender. (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company. (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company. (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company. (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
(x)	(a) According to the information and explanations given to us, the Company has not raised money through initial public offer or further public offer (including debt instruments) and term loans and hence the provisions of paragraph 3(ix) of the Order are not applicable. (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
(xi)	(a) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management. (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
(xii)	The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

(xiii)	According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 188 of the Act, wherever applicable, details of such transactions are disclosed in the Financial Statements as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
(xiv)	(a) The Company has an internal audit system commensurate with the size and nature of its business. (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
(xv)	According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of section 192 of Companies Act, 2013 are not applicable.
(xvi)	(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company. (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company. (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
(xvii)	According to the information and explanations given to us, the company has not incurred any cash losses in the financial year. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 3.75 Mn.
(xviii)	There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
(xix)	On the basis of the financial ratios, ageing and expected dates of realization of financial assets, and payment of financial liabilities, other information accompanying the financial statements,

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

	our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)	According to the information and explanations given to us and based on our examination of the financial statement of the company the provisions of Section 135 of the Act is not applicable to the Company and hence, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.
(xxi)	According to the information and explanations given to us and based on our examination of the financial statement of the company, since the company does not have any subsidiaries or associates or joint venture, the Company is not required to prepare Consolidated Financial Statements and hence, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 22031914AHFUPZ1988

Place: Mumbai
Date : 16th April, 2022

Annexure "B" to the Independent Auditor's Report

Annexure B to the independent Auditor's report of even date on the financial statements of Angel Securities Limited.

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

We have audited the internal financial controls over financial reporting of Angel Securities Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the 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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 22031914AHFUPZ1988

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date : 16th April, 2022

Angel Securities Limited

Balance Sheet as at 31 March 2022

(Rs. in Millions)

	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4	12.47	20.89
(b) Bank Balance other than Cash and cash equivalents	5	10.77	10.21
(c) Loans	6	20.09	60.00
(d) Investments	7	48.01	4.41
(e) Other Financial assets	8	18.84	18.84
Non-financial Assets			
(a) Current Tax assets (Net)	9	0.43	-
(b) Deferred tax assets (Net)	10	-	0.31
(c) Other non-financial assets	11	2.52	2.41
Total Assets		113.14	117.07
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Trade Payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.09
(b) Other financial liabilities	13	0.19	0.20
Non-Financial Liabilities			
(a) Current Tax liabilities (Net)	14	-	6.48
(b) Deferred tax Liabilities (Net)	10	0.06	0.00
(c) Provisions	15	0.01	0.01
(d) Other non-financial liabilities	16	0.01	0.01
EQUITY			
(a) Equity Share capital	17	55.00	55.00
(b) Other Equity	18	57.87	55.28
Total Liabilities and Equity		113.14	117.07

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 16 April 2022

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari
Director
DIN : 07393806

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 16 April 2022

Angel Securities Limited

Statement of Profit and Loss for the year ended 31 March 2022

(Rs. in Millions)

	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
(a) Interest income	19	0.61	0.69
(b) Net gain on fair value changes	20	0.58	0.37
Total Revenue from operations (I)		**1.19**	**1.06**
(c) Other income (II)	21	4.45	4.18
Total Income (I+II=III)		**5.64**	**5.24**
Expenses			
(a) Employee Benefits Expenses	22	0.64	0.49
(b) Others expenses	23	1.48	1.14
Total Expenses (IV)		**2.12**	**1.63**
Profit / (loss) before tax (III-IV=V)		**3.52**	**3.62**
Tax Expense:			
(a) Current Tax	9	0.55	0.57
(b) Deferred Tax	10	0.37	0.35
(c) Taxes for earlier years	10	0.01	6.73
Total income tax expense (VI)		**0.93**	**7.65**
Profit / (loss) for the year (V-VI=VII)		**2.59**	**(4.04)**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains / (losses) on defined benefit plans		0.00	(0.00)
(b) Income tax relating to above items		(0.00)	0.00
Other Comprehensive Income (VIII)		**0.00**	**(0.00)**
Total Comprehensive Income for the year (VII+VIII)		**2.59**	**(4.04)**
Earnings per equity share (FV Rs. 10 each)	24		
Basic & diluted EPS (Rs.)		0.47	(0.73)
Diluted EPS (Rs.)		0.47	(0.73)

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 16 April 2022

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon	**Prabhakar Tiwari**
Director	Director
DIN : 08276123	DIN : 07393806

PkBodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 16 April 2022

Angel Securities Limited

Cash Flow Statement for the year ended 31 March 2022

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Net profit / (loss) before tax	3.52	3.62
Adjustments for Non cash and non-operating activities:		
Interest on fixed deposits	(0.61)	(0.69)
Interest on inter corporate deposits	(4.45)	(4.18)
(Profit) / Loss on financial instruments designated at fair value through profit or loss	(0.58)	(0.37)
Operating loss before working capital changes	(2.12)	(1.62)
Changes in working capital		
(Decrease) / increase in trade payables	(0.09)	0.09
(Decrease) / increase in financial liabilities	(0.01)	(0.19)
(Decrease) / increase in other liabilities	(0.00)	(0.00)
(Decrease) / increase in provision	(0.00)	0.01
(Increase) / Decrease in financial/non-financial assets	(0.11)	0.18
(Increase) / Decrease in other bank balance	(0.56)	0.72
Cash generated / (used in) operations	(2.89)	(0.81)
Income tax paid / (received)	(7.47)	(0.43)
Net cash flow generated from / (used in) operating activities (A)	(10.36)	(1.24)
B. Cash flow from Investing activities		
Inter Corporate Deposits given	-	(205.60)
Repayment of Inter Corporate Deposits given	39.91	145.60
Investment in units of mutual fund	(43.02)	(4.35)
Interest on inter corporate deposits	4.45	4.18
Proceeds from sale/ disposal of Investments	-	83.26
Interest received	0.61	0.69
Net cash flow generated from / (used in) investing activities (B)	**1.95**	**23.78**
C. Cash flow from Financing activities		
Interim Dividend	-	(12.38)
Net Cash Flows from Financing Activities (C)	-	**(12.38)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(8.41)	10.16
Cash and cash equivalents at the beginning of the year	20.89	10.73
Cash and cash equivalents at the end of the year	**12.47**	**20.89**
Cash and cash equivalents comprise		
Balances with banks		
In current accounts	12.25	20.89
Cheques in hand	0.22	-
Total cash and bank balances at end of the year	**12.47**	**20.89**

Notes:

1. The above statement of cash flow has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flow".

The accompanying notes are an integral part of the financials statements

As per our report of even date

For Falod & Maheshwari

Chartered Accountants

Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod

Partner

Membership No. 31914

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

Place : Mumbai

Date : 16 April 2022

For and on behalf of the Board of Directors

Angel Securities Limited

Subhash Menon

Director

DIN : 08276123

Prabhakar Tiwari

Director

DIN : 07393806

Parag Bodha

Company Secretary

Membership No: ACS 51284

Place : Mumbai

Date : 16 April 2022

Angel Securities Limited

Statement of Changes in Equity for the year ended 31 March 2022

A Equity Share Capital

(Rs. in Millions)

	Amount
Equity Shares of Rs. 10 issued, subscribed and fully paid up	
Balance as at 01 April 2020	55.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the previous reporting year	55.00
Changes in equity share capital	-
Balance as at 31 March 2021	55.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting year	55.00
Changes in equity share capital	-
Balance as at 31 March 2022	55.00

B Other Equity (Refer Note 18)

(Rs. in Millions)

	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance at 01 April 2020	0.68	71.01	71.69
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting year	0.68	71.01	71.69
Profit for the year	-	(4.04)	(4.04)
Other comprehensive income for the year	-	-	-
Total Comprehensive Income for the year	-	(4.04)	(4.04)
Interim Dividend	-	(12.38)	(12.38)
Balance at 01 April 2021	0.68	54.59	55.28
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting year	0.68	54.59	55.28
Profit for the year	-	2.59	2.59
Other comprehensive income for the year	-	0.00	0.00
Total Comprehensive Income for the year	-	2.59	2.59
Interim Dividend	-	-	-
Balance at 31 March 2022	0.68	57.18	57.87

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 16 April 2022

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari

Prabhakar Tiwari
Director
DIN : 07393806

PK Bodha

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 16 April 2022

1 Corporate information

Angel Securities Limited (the 'Company') is a public limited company incorporated and domiciled in India and is a 100% subsidiary of Angel One Limited (formerly known as Angel Broking Limited) ('Holding Company'). The company is primarily engaged in Institutional broking business. The Company has acquired membership of National Stock Exchange of India Limited (NSE) into Cash and Future & Option segments and of Bombay Stock Exchange Limited (BSE) into Cash and Future & Option segments. The registered office of the company is situated at G-1, Ground Floor, Ackruti Trade Center, Road No. 7, MIDC, Andheri (East), Mumbai - 400093.

2 Basis of Preparation and presentation

The financial statements (Financial Statements) of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the financial year presented in the financial statements, including the preparation of the opening Ind AS balance sheet as at 01 April 2018 being the 'date of transition' to Ind AS, except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the comapnies Act, as amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities and defined benefit- plan liabilities being measured at fair value.

These financial statements are presented in Indian Rupees (INR)/(Rs.), which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

The financial statements for the year ended 31 March 2022 are being authorised for issue in accordance with a resolution of the directors on 16 April 2022.

Significant accounting policy

2.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises 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 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: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

(i) Brokerage fee income

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when trade is executed). These include brokerage fees which is charged per transaction executed.

(ii) Dividend income

Dividend income is recognised when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

2.2 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

(ii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

(iii) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used are noted in the table below:-

Property Plant and equipment	Useful life (In Years)
Air conditioner	5
Office equipments	5
Computer equipment	3 to 6
Furniture & fixtures	10
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arisig from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of Profit and Loss when the item is derecognised.The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

For transition to Ind AS, the Company has elected to continue with carrying value of its property, plant and equipment recognised as of 01 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.3 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 5 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

For transition to Ind AS, the Company has elected to continue with carrying value of its intangible assets recognised as of 01 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

The residual values, useful lives and methods of amortisatioin are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

2.4 Financial instruments

(i) Date of recognition

Financial assets and financial liabilities are recongnised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(ii) Initial measurement

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Recongnised financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recongnition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(iii) Classification and subsequent measurement

(A) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories :

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit or loss ('FVTPL')

(a) **Financial assets carried at amortised cost**

A financial assets is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held to collect contractual cash flows'); and
- the contractual terms of the finacial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recongnised in profit or loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in profit or loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(b) **Financial assets at fair value through other comprehensive income**

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except interest / dividend income which is recognised in profit and loss. Amounts recorded in OCI are subsequently transferred to the statement of profit and loss in case of debt instruments. However, in case of equity instruments it will be directly transferred to reserves. Equity instruments at FVOCI are not subject to an impairment assessment.

(c) **Financial assets at fair value through profit and loss**

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss. The Company records investments in equity instruments at FVTPL.

(B) **Financial liabilities and equity instrument**

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.

(a) **Equity instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(b) **Financial liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are initially recognised at fair value and subsequently determined based on the EIR method. Interest expense is recognised in profit or loss. Any gain or loss on de-recognition of financial liabilities is also recognised in profit or loss. The company does not have any financial liability which are measured at FVTPL.

(iv) **Reclassification**

Financial assets are not reclassified subsequent to their initial recongntion, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

(v) **Derecognition**

(A) **Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss (except for equity instruments measured at FVOCI).

(B) **Financial liabilities**

A financial liability is derecongnised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recongnition of a new liability. In this case, a new financial liability based on the modified terms is recongnised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recongnised in profit or loss.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(vi) Impairment of financial assets

A) Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for all trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.

B) Other financial assets:

For recognition of impairment loss on 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 subsequent years, 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.

Life time ECLs 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 year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.5 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.6 Impairments of Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.7 Retirement and other employee benefits

(i) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(ii) Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with The Payment of Gratuity Act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefit vest after five years of continuous service.

The company's gratuity scheme is a defined benefit plan. The company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior period. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(iii) Compensated absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing compensated absences are determined using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in acturial assumptions are recognised in statement of Profit nd Loss.

(iv) Presentation

For the purpose of presentation of defined benefit plans and other long term employee benefits, the allocation between current and non-current has been made as determined by an actuary.

2.8 Provisions, contingent liablilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to effect cuent management estimates. Contingent liabilities are recognised when there is possible obligation arising from past events.

2.9 Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(i) Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognised amounts, and it intends to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets arising mainly on account of carry forward losses and unabsorbed depreciation under tax laws are recognised only if there is reasonable certainty of its realisation, supported by convincing evidence.

Deferred tax assets on account of other temporary differences are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Changes in deferred tax assets / liabilities on account of changes in enacted tax rates are given effect to in the standalone statement of profit and loss in the period of the change. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

Deferred tax assets and deferred tax liabilities are off set when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.10 Earning per share (basic and diluted)

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.11 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.12 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. Following are estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet:

3.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

3.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.
Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

3.3 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.
This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to base rate and other fee income/expense that are integral parts of the instrument.

3.4 Provisions and other contingent liabilities

The company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the company's business.
When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.
Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

3.5 Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

3.6 Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation 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.

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2022

4 Cash and cash equivalents

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
In current accounts	12.25	20.89
Cheques in hand	0.22	-
Total	12.47	20.89

5 Bank balances other than cash and cash equivalent

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Fixed deposit with maturity for more than 12 months*	9.88	9.88
Accrued interest on fixed deposit	0.89	0.33
Total	10.77	10.21

* Breakup of deposits

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Fixed deposits under lien with stock exchanges**	9.88	9.88
Total	9.88	9.88

** The above fixed deposits are under lien with stock exchange as security deposits and minimum base capital requirements / arbitration matters.

6 Loans

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Inter Corporate Deposits	20.09	60.00
Total	20.09	60.00

(Rs. in Millions)

Type of Borrower	Amount of loan	Percentage to total Loans
Related parties	20.09	100.00%

7 Investments

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Investments measured at Fair Value through Profit or Loss		
Mutual funds		
Investment in mutual funds	48.01	4.41
Total	48.01	4.41

(a) Details of Investments

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Investments measured at Fair Value through Profit or Loss Investment in mutual funds		
1,52,300.185 units (31 March 2021 - 14,479.950 units) of ICICI Prudential - liquid fund DP growth of NAV Rs. 315.2563 (NAV as on 31 March 2021 : Rs. 304.7364 per Unit)	48.01	4.41
Total	48.01	4.41

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

8 Other Financial Assets

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Security deposits (Refer note (a) below)	18.76	18.76
Other receivables	0.08	0.08
Total	**18.84**	**18.84**

(a) Break-up of Security Deposits

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Security deposits - Stock exchanges*	18.50	18.50
Security deposits - Others	0.26	0.26
Total	**18.76**	**18.76**

* The deposits are kept with stock exchanges as security deposits and minimum base capital requirements.

9 Current Tax assets (Net)

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Advance payment of taxes and tax deducted at source [Net of MAT credit utilised: Rs. 0.23 mn (31 March 2021 Rs. NIL) and provision for taxation: Rs. 2.10 Mn (31 March 2021: Rs. NIL)]	0.43	-
Total	**0.43**	-

10 Deferred tax asset / (liability) (net)

(A) Deferred tax relates to the following:

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
- Provision for gratuity	0.00	0.00
- Provision for compensated absences	0.00	0.00
Minimum alternate tax	0.09	0.33
	0.10	**0.33**
Deferred tax liabilities		
- Fair valuation of investments	0.15	0.02
	0.15	**0.02**
Deferred tax asset / (liability) (net)	**(0.06)**	**0.31**

(B) The movement in deferred tax assets and liabilities during the year:

(Rs. in Millions)

	Amount
Deferred tax assets / (liabilities)	
As at 01 April 2020	**0.72**
Expense allowed in the year of payment (Gratuity and compensated absences)	0.00
Disallowance u/s 40(a)(ia)	(0.00)
Minimum alternate tax	(0.50)
Fair valuation of investments	0.09
As at 31 March 2021	**0.31**
Expense allowed in the year of payment (Gratuity and compensated absences)	(0.00)
Minimum alternate tax	(0.23)
Fair valuation of investments	(0.14)
As at 31 March 2022	**(0.06)**

FALOD & MAHESHWARI ★ CHARTERED ACCOUNTANTS ★ FIRM NO. 151051W MUMBAI

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2022

(C) Income tax expense in Statement of Profit and Loss

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Current Tax		
Current tax on taxable income for the year	0.55	0.57
Total current tax expense	**0.55**	**0.57**
Deferred tax		
Deferred tax charge / (income)	0.14	(0.09)
MAT credit (taken) / utilised	0.23	0.44
Total deferred income tax expense / (benefit)	**0.37**	**0.35**
MAT credit adjustment of earlier years	-	0.06
Tax in respect of earlier years	0.01	6.67
Total income tax expense	**0.92**	**7.65**

(D) Income Tax recognised in other comprehensive income

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Deferred tax relating to items that will not reclassified to statement of profit or loss	(0.00)	0.00
Total	**(0.00)**	**0.00**

(E) Reconciliation of tax charge

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Profit before tax	3.52	3.62
Enacted income tax rate in India	26.00%	26.00%
Tax amount at the enacted income tax rate	0.91	0.94
Tax effects of:		
Non- deductible expenses for tax purpose	0.00	0.00
Short Term Capital Loss Utilised	-	(0.03)
Tax in respect of earlier years	0.01	6.73
Others	0.00	0.00
Total tax expense charged to the statement of profit and loss	**0.92**	**7.65**
Effective tax rate	26.24%	211.43%

11 Other Non Financial Assets

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Prepaid expenses	0.02	0.02
Advance to vendor	0.01	0.01
Balance with government authorities	2.49	2.39
Others	-	0.00
Total	**2.52**	**2.41**

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

12 Trade Payables

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Trade payables - Expenses	-	0.09
Total	-	0.09

*No interest was paid during the year / previous years in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day. No amount of interest is due and payable for the year of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. Nil (previous Nil) interest was accrued and unpaid at the end of the accounting year. No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Trade Payable ageing schedule as at 31 March 2022

(Rs. in million)

Particulars	Ageing				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	-	-	-	-	-

Trade Payable ageing schedule as at 31 March 2021

(Rs. in million)

Particulars	Ageing				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.09	-	-	-	0.09
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.09	-	-	-	0.09

13 Other Financial liabilities

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Employee benefits payable	0.09	0.10
Expense payable	0.08	0.07
Payable to holding company	0.02	0.02
Other payables	0.00	0.00
Total	0.19	0.20

14 Current Tax liabilities (Net)

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Income tax payable [net of advance tax: Rs. Nil (31 March 2021: Rs. 2.73 Mn)]	-	6.48
Total	-	6.48

15 Provisions

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Provision for gratuity (Refer note 26)	0.00	0.00
- Provision for leave encashment	0.01	0.01
Total	0.01	0.01

16 Other Non Financial Liabilities

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	0.01	0.01
Total	0.01	0.01

FALOD & MAHESHWARI * FIRM NO. 151051W MUMBAI * CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

17 Equity Share Capital

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Authorized		
60,00,000 (31 March 2021: 60,00,000) equity shares of Rs. 10/- each)	60.00	60.00
Total	60.00	60.00
Issued, Subscribed and paid up		
55,00,300 (31 March 2021: 55,00,300) equity shares of Rs. 10/- each)	55.00	55.00
Total	55.00	55.00

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

	As at 31 March 2022	As at 31 March 2021
Outstanding at the beginning of the year	5,500,300.00	5,500,300.00
Add: Changes during the year	-	-
Outstanding at the end of the year	5,500,300.00	5,500,300.00

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company after distribution to all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

	As at 31 March 2022	As at 31 March 2021
Angel One Limited (formerly known as Angel Broking Limited)		
5,500,300 (31 March 2021: 5,500,300) equity shares of Rs. 10/- each, fully paid up	5,500,300	5,500,300

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

(i)

	As at 31 March 2022	
Name of the shareholder	Number of shares	% of holding
Angel One Limited (formerly known as Angel Broking Limited)	5,500,300	100%
Total	5,500,300	100%

(ii)

	As at 31 March 2021	
Name of the shareholder	Number of shares	% of holding
Angel One Limited (formerly known as Angel Broking Limited)	5,500,300	100%
Total	5,500,300	100%

(e) Details of shares held by promoters at as on 31 March 2022

(i)

Promoter name	Number of shares	% of total shares	% Change during the year
Angel One Limited (formerly known as Angel Broking Limited)	5,500,300	100%	0%
Total	5,500,300	100%	0%

Details of shares held by promoters at as on 31 March 2021

(ii)

Promoter name	Number of shares	% of total shares	% Change during the year
Angel One Limited (formerly known as Angel Broking Limited)	5,500,300	100%	0%
Total	5,500,300	100%	0%

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2022

18 Other Equity

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
General reserve	0.68	0.68
Retained earnings	57.19	54.59
Total	57.87	55.28

A General reserve

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Opening balance	0.68	0.68
Add: Changes during the year	-	-
Closing balance	0.68	0.68

B Retained Earnings

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Opening balance	54.60	71.01
Add: Net profit for the year	2.59	(4.04)
Less: Other comprehensive income for the year	(0.00)	0.00
Less: Interim Dividend	-	(12.38)
Closing balance	57.19	54.59

Nature and purpose of reserves

(i) General Reserve

General reserve was created through an annual transfer of net income at a specified percentage inaccordance with applicable regulations. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to Shareholders. It also includes remeasurement gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2022

19 Interest income

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
On financial assets measured at amortised cost		
Interest on fixed deposits with stock exchanges	0.61	0.69
Total	**0.61**	**0.69**

20 Net gain on fair value changes

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Investment in Mutual Funds	0.58	0.37
Total net gain on fair value changes	**0.58**	**0.37**
Fair value changes:		
-Realised	-	0.31
-Unrealised	0.58	0.06
	0.58	**0.37**

Fair value changes in this schedule are other than those arising on account of interest income/expense.

21 Other Income

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Miscellaneous Income	-	0.00
Interest Income on intercorporate deposits	4.45	4.18
Total	**4.45**	**4.18**

22 Employee benefits expenses

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	0.60	0.45
Contribution to provident and other funds (Refer Note 26)	0.03	0.03
Gratuity	0.00	0.00
Compensated absences	0.01	0.01
Staff welfare expenses	0.00	0.00
Total	**0.64**	**0.49**

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2022

23 Other expenses

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent, rates and taxes	0.09	0.11
Communication expenses	0.01	0.01
Printing and stationery	-	0.01
Legal and professional charges	0.18	0.15
Insurance	0.10	0.11
Software connectivity license/maintenance expenses	0.71	0.23
Electricity expenses	0.00	0.01
Demat charges	0.01	0.02
Bank charges	0.05	0.00
Membership and subscription fees	0.13	0.32
Interest on income tax	0.00	0.01
Auditors' remuneration*	0.06	0.08
SEBI Expenses	0.05	0.05
Miscellaneous Expenses	0.08	0.03
Total	**1.48**	**1.14**

* The following is the break-up of Auditor's remuneration (excluding input credit of GST availed, if any)

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit fees (excluding taxes)	0.06	0.06
Taxation matters	-	0.02
Reimbursement of expenses	0.00	0.00
Total	**0.06**	**0.08**

** Pursuant to requirements of Section 135 of Companies Act, 2013 the company is not required to contribute to CSR.

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2022

24 Earnings / (loss) per share

(Rs. in Millions)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit / (loss) for the year	2.59	(4.04)
Weighted average number of equity shares outstanding	5,500,300	5,500,300
Basic & diluted earnings/(loss) per share (Rs.) (FV of Rs. 10 per share)	0.47	(0.73)

25 **Contingent liabilities**

There are no contingent liabilities as at reporting dates.

26 **Employee benefits**

(A) **Defined contribution plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

(Rs. in Millions)

	31 March 2022	31 March 2021
Employers' Contribution to Provident Fund and Employee State Insurance	0.03	0.03

(B) **Defined benefit plans**

Gratuity payable to employees

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Discount rate

Discount rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep and secondary bond market in India, government bond yields are used to arrive at the discount rate.

Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

(i) **Actuarial assumptions**

	31 March 2022	31 March 2021
Economic assumptions		
Discount rate (per annum)	6.58%	6.17%
Rate of increase in salary	3.00%	3.00%
Demographic assumptions		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover/Withdrawal rate		
(A) Sales Employees		
(i) For service less than 4 years	92.00%	92.00%
(ii) Thereafter	31.00%	29.00%
(B) Non-sales employees		
(i) For service less than 4 years	48.00%	49.00%
(ii) Thereafter	17.00%	19.00%
Retirement age	58 years	58 years

(ii) **Amount recognised in balance sheet**

(Rs. in Millions)

	31 March 2022	31 March 2021
Present value of unfunded defined benefit obligation	0.00	0.00
Fair value of plan assets	-	-
Net asset / (liability) recognized in Balance Sheet	0.00	0.00
Current benefit obligation	0.00	0.00
Non-current obligation	0.00	0.00
Net asset / (liability) recognized in Balance Sheet	0.00	0.00

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(iii) Changes in the present value of defined benefit obligation (DBO)

(Rs. in Millions)

	31 March 2022	31 March 2021
Present value of obligation at the beginning of the year	0.00	0.00
Interest cost	0.00	0.00
Net current Service cost	0.00	0.00
Benefits paid	-	-
Actuarial (gain)/ loss on obligations		
- Due to effect of Change in financial assumptions	(0.00)	0.00
- Due to effect of Change in demographic assumptions	0.00	0.00
- Due to effect of experience adjustments	(0.00)	0.00
Acquisition/Business Combination/Divestiture (Transfer Out)	-	-
Acquisition/Business Combination/Divestiture (Transfer In)	0.00	-
Present value of obligation at the end of the year	0.00	0.00

The estimated term of the benefit obligations works out to 6.2 years as at 31 March 2022 (31 March 2021: 6.54 years)

(iv) Expense recognized in the Statement of Profit and Loss

(Rs. in Millions)

	31 March 2022	31 March 2021
Current service cost	0.00	0.00
Interest cost	0.00	0.00
Total expenses recognized in the Statement Profit and Loss	0.00	0.00

(v) Expense recognized in Other comprehensive income (OCI)

(Rs. in Millions)

	31 March 2022	31 March 2021
Actuarial (gain) / loss on Obligation for the year		
- Effect of change in financial assumptions	(0.00)	0.00
- Effect of Change in demographic assumptions	0.00	0.00
- Effect of experience adjustments	(0.00)	0.00
Net actuarial (gains) / losses recognised in OCI	(0.00)	0.00

(vi) Quantitative sensitivity analysis

(Rs. in Millions)

	31 March 2022	31 March 2021
Impact on defined benefit obligation		
Discount rate		
1% increase	(0.00)	(0.00)
1% decrease	0.00	0.00
Rate of increment in salary		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)
Withdrawal rate		
1% increase	(0.00)	0.00
1% decrease	0.00	(0.00)

(vii) Maturity profile of defined benefit obligation

(Rs. in Millions)

Year	As at 31 March 2022	As at 31 March 2021
Within next 12 months	0.00	0.00
Between 2 and 5 years	0.00	0.00
Between 6 and 10 years	0.00	0.00
Beyond 10 years	0.00	0.00
Total expected payments	0.00	0.00

27 Leases

Information about lease

The Company has taken office premises at certain location on short term lease.

Short term and low value lease:

Rental expense incurred and charged to statement of profit and loss for short term leases was Rs. 0.07 Mn (31 March 2021: Rs. 0.07 Mn).

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2022

28 Related Party Disclosures:

(A) Names of related parties and nature of relationship

		Ownership Interest	
		As at 31 March 2022	As at 31 March 2021
a) Holding Company			
Angel One Limited (formerly known as Angel Broking Limited)	India	100%	100%
b) Fellow Subsidiary Company			
Angel Fincap Private Limited	India		
Angel Financial Advisors Private Limited	India		
Mimansa Software Systems Private Limited	India		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	India		
c) Individuals owning directly or indirectly interest and voting power that gives them control			
Mr. Dinesh Thakkar			

(B) Details of transactions with related party in the ordinary course of business

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2020
Holding company		
Angel One Limited		
Rent paid	0.07	0.07
Expenses of the Company incurred by holding company	0.02	0.02
Dividend Paid	-	12.38
Reimbursement of expenses	-	0.00
Fellow subsidiaries		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)		
Expenses of the Company incurred for fellow subsidiary	-	0.20
Interest received	-	0.30
Intercorporate deposit given	-	72.70
Repayment of inter corporate deposit given	-	72.70
Angel Fincap Private Limited		
Interest received	4.45	3.88
Intercorporate deposit given	-	132.90
Repayment of inter corporate deposit given	39.91	72.90

(C) Amount due to/from related party as on:

(Rs. in Millions)

	As at 31 March 2022	As at 31 March 2021
Holding company		
Payable to Angel One Limited (formerly known as Angel Broking Limited)	0.02	0.02
Fellow subsidiaries		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited) - Other receivables	-	0.02
Angel Fincap Private Limited - Intercorporate deposit given	20.09	60.00

29 Segment Reporting

The Company's operations predominantly relate to institutional broking business and is the only operating segment of the Company. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

30 Fair value measurement

A Classification of financial assets and financial liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through other comprehensive income, Fair value through Profit and Loss (FVTPL) and Amortised Cost.

(Rs. in Millions)

	FVOCI	FVTPL	Amortised Cost
As at 31 March 2021			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	20.89
Bank Balance other than cash and cash equivalent	-	-	10.21
Loans	-	-	60.00
Investments	-	4.41	-
Other Financial assets	-	-	18.84
Total Financial Assets	-	4.41	109.94
Financial Liabilities			
Trade payables	-	-	0.09
Other financial liabilities	-	-	0.20
Total Financial liabilities	-	-	0.29
As at 31 March 2022			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	12.47
Bank Balance other than cash and cash equivalent	-	-	10.77
Loan	-	-	20.09
Investments	-	48.01	-
Other Financial assets	-	-	18.84
Total Financial Assets	-	48.01	62.18
Financial Liabilities			
Other financial liabilities	-	-	0.19
Total Financial liabilities	-	-	0.19

B Fair Value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

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

Fair value measurement hierarchy of assets and liabilities

(Rs. in Millions)

	Level 1	Level 2	Level 3
As at 31 March 2021			
Financial assets			
* Measured at fair value through profit or loss			
Investments in Mutual funds	4.41	-	-
As at 31 March 2022			
Financial assets			
* Measured at fair value through profit or loss			
Investments in Mutual funds	48.01	-	-

The carrying amount of cash and bank balances, trade receivables, trade payables, and other receivables & payables are considered to be the same as their fair values as they are short term in nature. The fair values of borrowings and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

* **Valuation techniques used to determine fair value :**

Specific valuation techniques used to value financial instruments includes quoted equity investments valued on quoted closing price on stock exchange and mutual funds based on closing NAV.

31 Financial Risk Management Objectives And Policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at each reporting date, the company does not have borrowings, therefore it is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at each reporting date, the company does not have exposure in foreign currency, therefore it is not exposed to currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.
The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors. These deposits do not have any credit risk.
The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

(C) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

(Rs. in Millions)

	0 - 1 year	1-2 year	2-3 year	3-4 year	Beyond 4 years	Total
As at 31 March 2021						
Other financial liabilities	0.20	-	-	-	-	0.20
	0.20	-	-	-	-	0.20
As at 31 March 2022						
Other financial liabilities	0.19	-	-	-	-	0.19
	0.19	-	-	-	-	0.19

32 CAPITAL MANAGEMENT

Risk Management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / repay debt. The primary objective of the Company's capital management is to maximise the shareholders' value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing.

(Rs. in Millions)

		As at 31 March 2022	As at 31 March 2021
Borrowings		-	-
Less: cash and marketable securities		60.49	25.30
Net debt	(i)	(60.49)	(25.30)
Total Equity	(ii)	112.88	110.29
Gearing ratio	(i)/(ii)	(0.54)	(0.23)

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

33 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(Rs. in Millions)

	As at 31 March 2021		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	20.89	-	20.89
Bank Balance other than cash and cash equivalent	5.25	4.96	10.21
Investments	4.41	-	4.41
Loans	60.00	-	60.00
Other Financial assets	0.08	18.76	18.84
Deferred tax assets (Net)	-	0.31	0.31
Other non-financial assets	2.41	-	2.41
Total Assets	93.04	24.04	117.08
Liabilities			
Trade Payables	0.09	-	0.09
Tax liabilities (Net)	6.48	-	6.48
Provisions	0.01	0.00	0.01
Other financial liabilities	0.20	-	0.20
Other non-financial liabilities	0.01	-	0.01
Total Liabilities	6.70	0.00	6.79

(Rs. in Millions)

	As at 31 March 2022		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	12.47	-	12.47
Bank Balance other than cash and cash equivalent	5.80	4.96	10.77
Investments	48.01	-	48.01
Loans	20.09	-	20.09
Other Financial assets	0.08	18.76	18.84
Tax assets (Net)	-	0.43	0.43
Other non-financial assets	2.52	-	2.52
Total Assets	88.99	24.16	113.14
Liabilities			
Tax liabilities (Net)	-	0.06	0.06
Provisions	0.01	0.00	0.01
Other Financial liabilities	0.19	-	0.19
Other non-financial liabilities	0.01	-	0.01
Total Liablities	0.21	0.00	0.26

34 **Dividend**

The Board of Directors have declared interim dividend on 13 July 2020 of Rs. 2.25 per equity share for ordinary equity shareholders total amounting to Rs. 12.38 Mn. No final dividend has been proposed or paid during the year ended 31 March 2022 and 31 March 2021.

35 Additional regulatory information reqired under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the company as the it is in broking business and not an NBFC registered under section 45-IA of Reserve Bank of India Act, 1934.

36 **Subsequent Events**

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.

37 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

FALOD & MAHESHWARI CHARTERED ACCOUNTANTS FIRM NO. 151051W MUMBAI

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2022

38 Taxes for earlier years includes amount of Rs. Nil (previous year Rs. 6.76 milllion) payable on account of final order received for applications filed under Direct Tax Vivad se Vishwas Act, 2020 (Vsv Act) in respect of litigation outstanding with Hon'ble Bombay High court for Assessment Year 2010 - 2011.

39 The financial statements of the company were authorised for issue in accordance with a resolution of the directors on 16 April 2022.

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod
Partner
Membership No. 31914

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 16 April 2022

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Prabhakar Tiwari
Director
DIN : 07393806

Parag Bodha
Company Secretary
Membership No: ACS 51284

Place : Mumbai
Date : 16 April 2022

FALOD & MAHESHWARI
Chartered Accountants

Radheyshyam Falod
B. Com. (Hons.), FCA
Aditya Maheshwari
B. Com., FCA, DISA (ICAI)

INDEPENDENT AUDITOR'S REPORT

To the Members of Angel Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Angel Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss, including other comprehensive income, Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principle generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the 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 of the financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

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

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

108, Laxmi Plaza, Shree Laxmi Industrial Estate,
New Link Road, Andheri (W), Mumbai - 400 053.

Tel.: +91 22 6698 9078 / 79
Email: aditya.fnm@gmail.com
Web: www.rrfalod.com

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 such 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors is also responsible for 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; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reported process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Other Matters

The financial statements of the Company for the year ended 31st March, 2020 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on 08th May, 2020. Our opinion is not modified in respect of this matter.

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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules, 2016;

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   (g) Since no managerial remuneration for the year ended 31st March, 2021 has been paid / provided by the company to its directors the provision of section 197 read with schedule V of the Act is not applicable to the Company for the year ended 31st March, 2021.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

(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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. In our opinion and according to the information and explanations given to us, the Company does not have any pending litigations which have impact on its financial position in its financial statements;

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

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

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 21031914AAAADW3245

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date : 30th April, 2021

Annexure "A" to the independent Auditor's Report

The Annexure A referred to in Independent Auditor's report to the Members of the Company on the Financial Statement for the year ended 31st March, 2021, we report that:

(i) According to the information and explanation given to us and on the basis of our examination of the records of the Company, as the company does not hold any fixed assets, hence the requirement under paragraph 3(i) of the order are not applicable to the company.

(ii) The company's business does not involve inventories and accordingly, the requirements under paragraph 3 (ii) of the order is not applicable to the company.

(iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Hence the clause of the paragraph 3 (iii) (a), (b) & (c) of the order is not applicable for the year.

(iv) According to the information and explanations given to us, the provision of section 186 of Companies Act, 2013 in respect of loans and advances given and securities granted and investments made have been complied with by the company. In our opinion and according to the information and explanations given to us, there are no guarantees given in respect of which provisions of section 185 and section 186 of the Act are applicable and hence not commented upon.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence the directives issued by Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable.

(vi) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Therefore the provision of paragraph 3 (vi) is not applicable.

(vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they become payable. As

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

informed to us sales tax, duty of customs, duty of excise are currently not applicable to the company.

(b) As per the records maintained by the company and according to the information and explanation given to us, there is no disputed income tax or wealth tax or goods and service tax or duty of customs or duty of excise or cess which have not been deposited on account of any dispute.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year and hence provisions of paragraph 3(viii) of the Order is not applicable.

(ix) According to the information and explanations given to us, the Company has not raised money through initial public offer or further public offer (including debt instruments) and term loans and hence the provisions of paragraph 3(ix) of the Order are not applicable.

(x) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year and hence provisions of paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

(xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 & 188 of the Act, wherever applicable and the details of such transactions are disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review. Hence the provisions of paragraph 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him Hence the provisions of section 192 of Companies Act, 2013 are not applicable.

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

(xvi) As per the Reserve Bank of India's Circular "DNBR.PD.001/ 03.10.119/2016-17", dated 25th August, 2016, the Company being a stock broker is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934.

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

Radheyshyam Falod

FALOD & MAHESHWARI
FIRM NO. 151051W MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 21031914AAAADW3245

Place: Mumbai
Date : 30th April, 2021

Annexure "B" to the Independent Auditor's Report

Annexure B to the independent Auditor's report of even date on the financial statements of Angel Securities Limited.

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

We have audited the internal financial controls over financial reporting of Angel Securities Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the 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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 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 to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Falod & Maheshwari
Chartered Accountants
Firm Registration No. 151051W

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
(Partner)
Membership No. 31914
UDIN : 21031914AAAADW3245

Place: Mumbai
Date : 30th April, 2021

Angel Securities Limited
Balance Sheet as at 31 March 2021

(Rs. in Millions)

	Note No.	As at 31 March 2021	As at 31 March 2020
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4	20.89	10.73
(b) Bank Balance other than Cash and cash equivalents	5	10.21	10.93
(c) Loans	6	60.00	-
(d) Investments	7	4.41	82.95
(e) Other Financial assets	8	18.84	18.82
Non-financial Assets			
(a) Current Tax assets (Net)	9	-	0.33
(b) Deferred tax assets (Net)	10	0.31	0.72
(c) Other non-financial assets	11	2.41	2.61
Total Assets		117.07	127.09
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.09	-
(b) Other financial liabilities	14	0.20	0.39
Non-Financial Liabilities			
(a) Current Tax liabilities (Net)	12	6.48	-
(b) Provisions	15	0.01	0.00
(c) Other non-financial liabilities	16	0.01	0.01
EQUITY			
(a) Equity Share capital	17	55.00	55.00
(b) Other Equity	18	55.28	71.69
Total Liabilities and Equity		117.07	127.09

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

Radheyshyam Falod

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 30 April 2021

For and on behalf of the Board of Directors
Angel Securities Limited

S Menon Bavtel

Subhash Menon
Director
DIN : 08276123

Bhavin Parekh
Director
DIN: 08743757

Alpesh

Alpesh Dave
Company Secretary
Membership No: ACS 60994

Place : Mumbai
Date : 30 April 2021

Angel Securities Limited

Statement of Profit and Loss for the year ended 31 March 2021

(Rs. in Millions)

	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations			
(a) Interest income	19	0.69	0.98
(b) Net gain on fair value changes	20	0.37	0.54
Total Revenue from operations (I)		**1.06**	**1.52**
(c) Other income (II)	21	4.18	3.25
Total Income (I+II=III)		**5.24**	**4.77**
Expenses			
(a) Employee Benefits Expenses	22	0.49	0.43
(b) Others expenses	23	1.14	0.86
Total Expenses (IV)		**1.63**	**1.29**
Profit/(loss) before tax (III-IV=V)		**3.62**	**3.48**
Tax Expense:			
(a) Current Tax	10	0.57	0.41
(b) Deferred Tax	10	0.35	0.17
(c) Taxes for earlier years	10	6.73	0.28
Total income tax expense (VI)		**7.65**	**0.86**
Profit/(loss) for the year (V-VI=VII)		**(4.04)**	**2.62**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains / (losses) on defined benefit plans		(0.00)	-
(b) Income tax relating to above items		0.00	-
Other Comprehensive Income (VIII)		**(0.00)**	-
Total Comprehensive Income for the year (VII+VIII)		**(4.04)**	**2.62**
Earnings per equity share (FV INR 10 each)	24		
Basic & diluted EPS (INR)		(0.73)	0.48

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 30 April 2021

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Bhavin Parekh
Director
DIN: 08743757

Alpesh Dave
Company Secretary
Membership No: ACS 60994

Place : Mumbai
Date : 30 April 2021

Angel Securities Limited

Cash Flow Statement for the year ended 31 March 2021

(Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Net profit / (loss) before tax	3.62	3.48
Adjustments for Non cash and non-operating activities:		
Interest on fixed deposits	(0.69)	(1.64)
Dividend on mutual funds and shares	0.00	(1.40)
Interest on inter corporate deposits	(4.18)	-
Fair Valuation of Investments	(0.37)	(0.54)
Operating loss before working capital changes	**(1.62)**	**(0.10)**
Changes in working capital		
(Decrease)/ increase in trade payables	0.09	(0.16)
(Decrease)/ increase in financial liabilities	(0.19)	0.17
(Decrease)/ increase in other liabilities	(0.00)	(0.19)
(Decrease)/ increase in provision	0.01	0.00
(Increase) / Decrease in trade receivables	0.00	0.03
(Increase) / Decrease in financial/non-financial assets	0.18	4.39
(Increase) / Decrease in other bank balance	0.72	57.23
Cash generated/ (used in) operations	(0.81)	61.37
Income tax paid / (received)	(0.43)	(0.93)
Net cash flow generated from / (used in) operating activities (A)	**(1.24)**	**60.44**
B. Cash flow from Investing activities		
Inter Corporate Deposits given	(205.60)	-
Repayment of Inter Corporate Deposits given	145.60	-
Investment in units of mutual fund	(4.35)	(325.52)
Interest on inter corporate deposits	4.18	-
Proceeds from sale/ disposal of Investments	83.26	243.11
Interest received	0.69	4.57
Dividend received	-	1.40
Net cash flow generated from / (used in) investing activities (B)	**23.78**	**(76.44)**
C. Cash flow from Financing activities		
Interim tax Dividend	(12.38)	-
Net Cash Flows from Financing Activities (C)	**(12.38)**	**-**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	10.16	(16.00)
Cash and cash equivalents at the beginning of the year	10.73	26.72
Cash and cash equivalents at the end of the year	**20.89**	**10.73**
Cash and cash equivalents comprise		
Balances with banks		
In current accounts	20.89	10.73
Total cash and bank balances at end of the year	**20.89**	**10.73**

Notes:

1. The above statement of cash flow has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flow".

The accompanying notes are an integral part of the financials statements

As per our report of even date

For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 30 April 2021

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Bhavin Parekh
Director
DIN: 08743757

Alpesh Dave
Company Secretary
Membership No: ACS 60994

Place : Mumbai
Date : 30 April 2021

Angel Securities Limited

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

A Equity Share Capital

(Rs. in Millions)

	Amount
Equity Shares of INR 10 issued, subscribed and fully paid up	
Balance as at 01 April 2019	55.00
Changes in equity share capital	-
Balance as at 31 March 2020	55.00
Changes in equity share capital	-
Balance as at 31 March 2021	55.00

B Other Equity (Refer Note 18)

(Rs. in Millions)

	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance at 01 April, 2019	0.68	68.38	69.07
Profit for the year	-	2.63	2.63
Other comprehensive income for the year	-	-	-
Total Comprehensive Income for the year	-	2.63	2.63
Balance at 01 April, 2020	0.68	71.01	71.69
Profit for the year	-	(4.04)	(4.04)
Other comprehensive income for the year	-	(0.00)	(0.00)
Total Comprehensive Income for the year	-	(4.04)	(4.04)
Interim tax Dividend		(12.38)	(12.38)
Balance at 31 March 2021	0.68	54.59	55.28

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 30 April 2021

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Bhavin Parekh
Director
DIN: 08743757

Alpesh Dave
Company Secretary
Membership No: ACS 60994

Place : Mumbai
Date : 30 April 2021

1 Corporate information

Angel Securities Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956 and is a 100% subsidiary of Angel Broking Limited ('Holding Company'). The company is primarily engaged in Institutional broking business. The Company has acquired membership of National Stock Exchange of India Limited (NSE) into Cash and Future & Option segments and of Bombay Stock Exchange Limited (BSE) into Cash and Future & Option segments. The registered office of the company is situated at G-1, Ground Floor, Ackruti Trade Center, Road No. 7, MIDC, Andheri (East), Mumbai - 400093.

2 Basis of Preparation and presentation

The financial statements (Financial Statements) of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the financial year presented in the financial statements, including the preparation of the opening Ind AS balance sheet as at 01 April 2018 being the 'date of transition' to Ind AS, except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the comapnies Act, as amended from time to time that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities and defined benefit· plan liabilities being measured at fair value.

These financial statements are presented in Indian Rupees (INR)/(Rs.), which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

The financial statements for the year ended 31 Mar 2021 are being authorised for issue in accordance with a resolution of the directors on 30 April 2021

Significant accounting policy

2.1 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises 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 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: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different sources of revenue are explained below:

(i) Brokerage fee income

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when trade is executed). These include brokerage fees which is charged per transaction executed.

(ii) Dividend income

Dividend income is recognised when the right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

FALOD & MAHESHWARI ★ CHARTERED ACCOUNTANTS ★ FIRM NO. 151051W MUMBAI

2.2 Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

(ii) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

(iii) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives in the manner prescribed in Schedule II of the Act. The estimated lives used are noted in the table below:-

Property Plant and equipment	Useful life (In Years)
Air conditioner	5
Office equipments	5
Computer equipment	3 to 6
Furniture & fixtures	10
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arisig from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of Profit and Loss when the item is derecognised.The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

For transition to Ind AS, the Company has elected to continue with carrying value of its property, plant and equipment recognised as of 01 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.3 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Software and system development expenditure are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 5 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

For transition to Ind AS, the Company has elected to continue with carrying value of its intangible assets recognised as of 01 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

The residual values, useful lives and methods of amortisatioin are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

2.4 Financial instruments

(i) Date of recognition

Financial assets and financial liabilities are recongnised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(ii) Initial measurement

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Recongnised financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recongnition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(iii) Classification and subsequent measurement

(A) Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories :

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit or loss ('FVTPL')

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD ★

(a) Financial assets carried at amortised cost

A financial assets is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held to collect contractual cash flows'); and
- the contractual terms of the finacial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recongnised in profit or loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in profit or loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except interest / dividend income which is recognised in profit and loss. Amounts recorded in OCI are subsequently transferred to the statement of profit and loss in case of debt instruments. However, in case of equity instruments it will be directly transferred to reserves. Equity instruments at FVOCI are not subject to an impairment assessment.

(c) Financial assets at fair value through profit and loss

Financial assets, which do not meet the criteria for categorization as at amortized cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss. The Company records investments in equity instruments at FVTPL.

(B) Financial liabilities and equity instrument

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.

(a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are initially recognised at fair value and subsequently determined based on the EIR method. Interest expense is recognised in profit or loss. Any gain or loss on de-recognition of financial liabilities is also recognised in profit or loss. The company does not have any financial liability which are measured at FVTPL.

(iv) Reclassification

Financial assets are not reclassified subsequent to their initial recongntion, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

(v) Derecognition

(A) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss (except for equity instruments measured at FVOCI).

(B) Financial liabilities

A financial liability is derecongnised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recongnition of a new liability. In this case, a new financial liability based on the modified terms is recongnised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recongnised in profit or loss.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(vi) Impairment of financial assets

A) Trade receivables

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance (ECL) for all trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.

B) Other financial assets:

For recognition of impairment loss on 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 subsequent years, 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.

Life time ECLs 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 year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.5 Cash and cash equivalents

Cash and cash equivalents includes cash at banks and on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.6 Impairments of Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

2.7 Retirement and other employee benefits

(i) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(ii) Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with The Payment of Gratuity Act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefit vest after five years of continuous service.

The company's gratuity scheme is a defined benefit plan. The company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior period. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit credit Method which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD.

(iii) Compensated absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing compensated absences are determined using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in acturial assumptions are recognised in statement of Profit nd Loss.

(iv) Presentation

For the purpose of presentation of defined benefit plans and other long term employee benefits, the allocation between current and non-current has been made as determined by an actuary.

2.8 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to effect cuent management estimates. Contingent liabilities are recognised when there is possible obligation arising from past events.

2.9 Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(i) Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognised amounts, and it intends to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets arising mainly on account of carry forward losses and unabsorbed depreciation under tax laws are recognised only if there is reasonable certainty of its realisation, supported by convincing evidence.

Deferred tax assets on account of other temporary differences are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Changes in deferred tax assets / liabilities on account of changes in enacted tax rates are given effect to in the standalone statement of profit and loss in the period of the change. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date.

Deferred tax assets and deferred tax liabilities are off set when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.10 Earning per share (basic and diluted)

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

2.11 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.12 Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables, respectively, in the balance sheet.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. Following are estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet:

3.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

3.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.
Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date

3.3 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.
This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to base rate and other fee income/expense that are integral parts of the instrument.

3.4 Provisions and other contingent liabilities

The company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the company's business.
When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.
Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

3.5 Deferred Tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

3.6 Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation 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.

FALOD & MAHESHWARI
FIRM NO.
151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

4 Cash and cash equivalents

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Balances with banks		
In current accounts	20.89	10.73
Total	20.89	10.73

5 Bank balances other than cash and cash equivalent

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Fixed deposits with maturity of 3 to 12 months*	-	6.00
Fixed deposit with maturity for more than 12 months*	9.88	4.88
Accrued interest on fixed deposit	0.33	0.05
Total	10.21	10.93

* Breakup of deposits

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Fixed deposits under lien with stock exchanges**	9.88	10.88
Total	9.88	10.88

** The above fixed deposits are under lien with stock exchange as security deposits and minimum base capital requirements/arbitration matters.

6 Loans

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Inter Corporate Deposits	60.00	-
Total	60.00	-

7 Investments

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
<u>Investments measured at Fair Value through Profit or Loss</u>		
Mutual funds		
Investments in mutual funds	4.41	82.95
Total	4.41	82.95

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(a) Details of investments -

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Investments measured at Fair Value through Profit or Loss		
Investments in mutual funds		
14,479.950 units (31 March 2020 - NIL units) of ICICI Prudential - liquid fund DP growth of NAV Rs. 304.7364 (NAV as on 31.03.2020 : Rs. NIL per Unit)	4.41	-
NIL units (31 March 2020- 7,69,848.797) of ICICI Prudential - Overnight fund DP growth (NAV Rs. NIL (31 March 2020 : Rs. 107.7490 per Unit)	-	82.95
Total	**4.41**	**82.95**

8 Other Financial Assets

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Security deposits (Refer note (a) below)	18.76	18.76
Other receivables	0.08	0.06
Total	**18.84**	**18.82**

(a) Break-up of Security Deposits

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Security deposits - stock exchanges*	18.50	18.50
Security deposits - Others	0.26	0.26
Total	**18.76**	**18.76**

* The deposits are kept with stock exchanges as security deposits and minimum base capital requirements.

9 Current Tax assets (Net)

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Advance payment of taxes and tax deducted at source (Net of MAT credit utilised: INR. NIL (31 March 2020 Rs. 0.00 Mn) [net of provisions for taxation: INR. NIL (31 March 2020: 1.96 Mn)]	-	0.33
Total	-	**0.33**

10 Deferred tax assets (Net)

(A) Deferred tax relates to the following:

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets		
- Provision for gratuity	0.00	0.00
- Provision for compensated absences	0.00	0.00
- Disallowance u/s 40(a)(ia)	-	0.00
Minimum alternate tax	0.33	0.82
	0.33	**0.83**
Deferred tax liabilities		
- Fair valuation of investments	0.02	0.10
	0.02	**0.10**
Deferred tax asset (net)	**0.31**	**0.72**

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2021

(B) The movement in deferred tax assets and liabilities during the year/period:

(Rs. in Millions)

	Amount
Deferred tax assets/(liabilities)	
As at 01 April 2020	1.16
Expense allowed in the year of payment (Gratuity and compensated absences)	0.00
Difference between book and tax depreciation	(0.06)
Disallowance u/s 40(a)(ia)	0.00
Minimum alternate tax	(0.27)
Fair valuation of investments	(0.10)
As at 31 March 2020	**0.72**
Expense allowed in the year of payment (Gratuity and compensated absences)	0.00
Disallowance u/s 40(a)(ia)	(0.00)
Minimum alternate tax	(0.50)
Fair valuation of investments	0.09
As at 31 March 2021	**0.31**

(C) Income tax expense in Statement of Profit and Loss

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Current Tax		
Current tax on taxable income for the year	0.57	0.41
Total current tax expense	**0.57**	**0.41**
Deferred tax		
Deferred tax charge/(income)	0.35	0.17
MAT credit (taken)/utilised	(0.57)	-
Total deferred income tax expense/(benefit)	**0.35**	**0.17**
MAT credit adjustment of earlier years	0.06	0.27
Tax in respect of earlier years	6.67	0.01
Total income tax expense	**7.65**	**0.86**

(D) Income Tax recognised in other comprehensive income

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Deferred tax relating to items that will not reclassified to statement of profit or loss	0.00	-
Total	0.00	-

(E) Reconciliation of tax charge

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Profit before tax	3.62	3.48
Enacted income tax rate in India	26.00%	26.00%
Tax amount at the enacted income tax rate	0.94	0.90
Tax effects of:		
Non- deductible expenses for tax purpose	0.00	0.01
Additional Allowance for tax purpose	-	(0.36)
Short Term Capital Loss Utilised	(0.03)	0.03
Tax in respect of earlier years	6.73	0.28
Others	0.00	0.00
Total tax expense charged to the statement of profit and loss	**7.65**	**0.86**
Effective tax rate	211.43%	24.66%

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited
Notes forming part of the Financial Statements for the year ended 31 March 2021

11 Other Non Financial Assets

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Prepaid expenses	0.02	0.20
Advance to vendor	0.01	0.01
Balance with government authorities	2.39	2.28
Others	0.00	0.14
Total	2.41	2.61

12 Current Tax liabilities (Net)

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Current income tax payable [net of advance tax: INR 2.73 Mn (31 March 2020: INR NIL)]	6.48	-
Total	6.48	-

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

13 Trade Payables

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Trade payables - Expenses	0.09	-
Total	**0.09**	**-**

*No interest was paid during the year / previous years in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day. No amount of interest is due and payable for the year of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. Nil (previous Nil) interest was accrued and unpaid at the end of the accounting year. No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

14 Other Financial liabilities

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Employee benefits payable	0.10	-
Expense payable	0.07	0.11
Payable to holding company	0.02	0.25
Other payables	0.00	0.03
Total	**0.20**	**0.39**

15 Provisions

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- Provision for gratuity (Refer note 25)	0.00	0.00
- Provision for leave encashment	0.01	0.00
Total	**0.01**	**0.00**

16 Other Non Financial Liabilities

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Statutory dues payable	0.01	0.01
Total	**0.01**	**0.01**

17 Equity Share Capital

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Authorized		
60,00,000 (31 March 2020: 60,00,000) equity shares of INR10/- each)	60.00	60.00
Total	**60.00**	**60.00**
Issued, Subscribed and paid up		
55,00,300 (31 March 2020: 55,00,300) equity shares of INR 10/- each)	55.00	55.00
Total	**55.00**	**55.00**

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

	As at 31 March 2021	As at 31 March 2020
Outstanding at the beginning of the year	55,00,300	55,00,300
Add: Changes during the year	-	-
Outstanding at the end of the year	**55,00,300**	**55,00,300**

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company after distribution to all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

	As at 31 March 2021	As at 31 March 2020
Angel Broking Limited		
55,00,300 (31 March 2020: 55,00,300) equity shares of INR 10/- each, fully paid up	55,00,300	55,00,300

(d) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

(i)

	As at 31 March 2021	
Name of the shareholder	**Number of shares**	**% of holding**
Angel Broking Limited	55,00,300	100%
Total	**55,00,300**	**100%**

(ii)

	As at 31 March 2021	
Name of the shareholder	**Number of shares**	**% of holding**
Angel Broking Limited	55,00,300	100%
Total	**55,00,300**	**100%**

18 Other Equity

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
General reserve	0.68	0.68
Retained earnings	54.59	71.01
Total	**55.28**	**71.69**

A General reserve

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Opening balance	0.68	0.68
Add: Changes during the year	0.00	0.00
Closing balance	**0.68**	**0.68**

B Retained Earnings

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Opening balance	71.01	68.38
Add : Net profit for the year	(4.04)	2.63
Less: Other comprehensive income for the year	0.00	-
Less: Interim Dividend	(12.38)	-
Closing balance	**54.59**	**71.01**

Nature and purpose of reserves

(i) General Reserve

General reserve was created through an annual transfer of net income at a specified percentage inaccordance with applicable regulations. This reserve can be utilised only inaccordance with the specified requirements of Companies Act, 2013.

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to Shareholders. It also includes remeasurement gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2021

19 **Interest income**

(Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
On financial assets measured at amortised cost		
Interest on fixed deposits with stock exchanges	0.69	0.98
Total	**0.69**	**0.98**

20 **Net gain on fair value changes**

(Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Investment in Mutual Funds	0.37	0.54
Total net gain on fair value changes	**0.37**	**0.54**
Fair value changes:		
-Realised	0.31	0.14
-Unrealised	0.06	0.40
	0.37	**0.54**

Fair value changes in this schedule are other than those arising on account of interest income/expense.

21 **Other Income**

(Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on fixed deposits with banks measured at amortised cost	-	1.64
Dividend income	-	1.40
Miscellaneous Income	0.00	0.21
Interest Income on intercorporate deposits	4.18	0.00
Total	**4.18**	**3.25**

22 **Employee benefits expenses**

(Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages	0.45	0.41
Contribution to provident and other funds (Refer note 25)	0.03	0.01
Gratuity	0.00	0.00
Compensated absences	0.01	0.01
Staff welfare expenses	0.00	0.00
Total	**0.49**	**0.43**

FALOD & MAHESHWARI ★ CHARTERED ACCOUTANTS ★ FIRM NO. 151051W MUMBAI

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2021

23 Other expenses (Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent, rates and taxes	0.11	0.07
Communication expenses	0.01	0.03
Printing and stationery	0.01	0.00
Legal and professional charges	0.15	0.16
Insurance	0.11	0.09
Software connectivity license/maintenance expenses	0.23	0.21
Electricity expenses	0.01	0.01
Demat charges	0.02	0.03
Bank charges	0.00	0.05
Bad debts written off	-	0.02
Membership and subscription fees	0.32	-
Repairs and maintenance - others	-	0.04
Interest on income tax	0.01	0.01
Auditors' remuneration*	0.08	0.05
SEBI Expenses	0.05	-
Miscellaneous Expenses	0.03	0.09
Total	**1.14**	**0.86**

* The following is the break-up of Auditor's remuneration (excluding input credit of GST availed, if any) (Rs. in Millions)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Statutory audit fees (excluding taxes)	0.06	0.05
Taxation Matters	0.02	-
Reimbursement of expenses	0.00	-
Total	**0.08**	**0.05**

** Pursuant to requirements of Section 135 of Companies Act, 2013 the company is not required to contribute to CSR.

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

24 **Earnings/(loss) per share** (Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Profit for the year	(4.04)	2.62
Weighted average number of equity shares outstanding	55,00,300	55,00,300
Basic & diluted earnings/(loss) per share (INR) (FV of INR 10 per share)	(0.73)	0.48

25 **Contingent liabilities** (Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Disputed income tax demands not provided for	-	13.52
Total	-	**13.52**

26 **Employee benefits**

(A) **Defined contribution plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss - (Rs. in Millions)

	31 March 2021	31 March 2020
Employers' Contribution to Provident Fund and Employee State Insurance	0.03	0.01

(B) **Defined benefit plans**

Gratuity payable to employees

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting year using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Discount rate

Discount rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep and secondary bond market in India, government bond yields are used to arrive at the discount rate.

Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

(i) **Actuarial assumptions**

	31 March 2021	31 March 2020
Economic assumptions		
Discount rate (per annum)	6.17%	6.40%
Rate of increase in salary	3.00%	3.00%
Demographic assumptions		
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee turnover/Withdrawal rate		
(A) Sales Employees		
(i) For service less than 4 years	92.00%	99.00%
(ii) Thereafter	29.00%	2.00%
(B) Non-sales employees		
(i) For service less than 4 years	49.00%	49.00%
(ii) Thereafter	19.00%	2.00%
Retirement age	58 years	58 years

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(ii) Amount recognised in balance sheet

(Rs. in Millions)

	31 March 2021	31 March 2020
Present value of unfunded defined benefit obligation	0.00	0.00
Fair value of plan assets	-	-
Net asset / (liability) recognized in Balance Sheet	**0.00**	**0.00**
Current benefit obligation	0.00	0.00
Non-current obligation	0.00	0.00
Net asset / (liability) recognized in Balance Sheet	**0.00**	**0.00**

(iii) Changes in the present value of defined benefit obligation (DBO)

(Rs. in Millions)

	31 March 2021	31 March 2020
Present value of obligation at the beginning of the period/year	0.00	-
Interest cost	0.00	-
Net current Service cost	0.00	0.00
Benefits paid	-	-
Actuarial (gain)/ loss on obligations		
- Due to effect of Change in financial assumptions	0.00	-
- Due to effect of Change in demographic assumptions	0.00	-
- Due to effect of experience adjustments	0.00	-
Present value of obligation at the end of the period/year	**0.00**	**0.00**

The estimated term of the benefit obligations works out to 6.54 years as at 31 March 2021 (31 March 2020: 6.68 years)

(iv) Expense recognized in the Statement of Profit and Loss

(Rs. in Millions)

	31 March 2021	31 March 2020
Current service cost	0.00	0.00
Interest cost	0.00	-
Total expenses recognized in the Statement Profit and Loss	**0.00**	**0.00**

(v) Expense recognized in Other comprehensive income (OCI)

(Rs. in Millions)

	31 March 2021	31 March 2020
Actuarial (gain) / loss on Obligation for the year		
- Effect of change in financial assumptions	0.00	-
- Effect of Change in demographic assumptions	0.00	-
- Effect of experience adjustments	0.00	-
Net actuarial (gains) / losses recognised in OCI	**0.00**	-

(vi) Quantitative sensitivity analysis

(Rs. in Millions)

	31 March 2021	31 March 2020
Impact on defined benefit obligation		
Discount rate		
1% increase	(0.00)	(0.00)
1% decrease	0.00	0.00
Rate of increment in salary		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)
Withdrawal rate		
1% increase	0.00	0.00
1% decrease	(0.00)	(0.00)

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUTANTS

ANGEL SECURITIES LTD

(vii) **Maturity profile of defined benefit obligation**

(Rs. in Millions)

Year	31 March 2021	31 March 2020
Within next 12 months	0.00	0.00
Between 2 and 5 years	0.00	0.00
Between 6 and 10 years	0.00	0.00
Beyond 10 years	0.00	0.00
Total expected payments	**0.00**	**0.00**

27 Leases

Information about lease

The Company has taken office premises at certain location on short term lease.

Short term and low value lease:

Rental expense incurred and charged to statement of profit and loss for short term leases was INR 0.07 Mn (31 March 2020: INR 0.07 Mn).

28 Related Party Disclosures:

(A) Names of related parties and nature of relationship

		Ownership Interest	
		As at 31 March 2021	As at 31 March 2020
a) Holding Company			
Angel Broking Limited	India	100%	100%
b) Fellow Subsidiary Company			
Angel Fincap Private Limited	India		
Angel Financial Advisors Private Limited	India		
Mimansa Software Systems Private Limited	India		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	India		
c) Individuals owning directly or indirectly interest and voting power that gives them control			
Mr. Dinesh Thakkar			

(B) Details of transactions with related party in the ordinary course of business

(Rs. in Millions)

	31 March 2021	31 March 2020
Holding company		
Angel Broking Limited		
Rent paid	0.07	0.07
Expenses of the Company incurred by holding company	0.02	0.25
Dividend Paid	12.38	-
Reimbursement of expenses	0.00	-
Fellow subsidiaries		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)		
Expenses of the Company incurred for fellow subsidiary	0.20	-
Interest received	0.30	-
Intercorporate deposit given	72.70	-
Repayment of inter corporate deposit given	72.70	-
Angel Fincap Private Limited		
Interest received	3.88	-
Intercorporate deposit given	132.90	-
Repayment of inter corporate deposit given	72.90	-

(C) Amount due to/from related party as on:

(Rs. in Millions)

	As at 31 March 2021	As at 31 March 2020
Holding company		
Payable to holding company	0.02	0.25
Fellow subsidiaries		
Angel Wellness Private Limited - Other receivables	0.02	-
Angel Fincap Private Limited - Intercorporate deposit given	60.00	-

29 Segment Reporting

The Company's operations predominantly relate to institutional broking business and is the only operating segment of the Company. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

30 Fair value measurement

A Classification of financial assets and financial liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through other comprehensive income, Fair value through Profit and Loss (FVTPL) and Amortised Cost.

FALOD & MAHESHWARI ★ FIRM NO. 151051W MUMBAI ★ CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(Rs. in Millions)

	FVOCI	FVTPL	Amortised Cost
As at 31 March 2020			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	10.73
Bank Balance other than cash and cash equivalent	-	-	10.93
Investments	-	82.95	-
Other Financial assets	-	-	18.82
Total Financial Assets	-	82.95	40.48
Financial Liabilities			
Other financial liabilities	-	-	0.39
Total Financial liabilities	-	-	0.39
As at 31 March 2021			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	20.89
Bank Balance other than cash and cash equivalent	-	-	10.21
Trade Receivables	-	-	-
Loan	-	-	60.00
Investments	-	4.41	-
Other Financial assets	-	-	18.84
Total Financial Assets	-	4.41	109.94
Financial Liabilities			
Other financial liabilities	-	-	0.20
Total Financial liabilities	-	-	0.20

B **Fair Value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

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

Fair value measurement hierarchy of assets and liabilities (Rs. in Millions)

	Level 1	Level 2	Level 3
As at 31 March 2020			
Financial assets			
* Measured at fair value through profit or loss	-	-	-
Investments in Mutual funds	82.95	-	-
As at 31 March 2021			
Financial assets			
* Measured at fair value through profit or loss			
Investments in Mutual funds	4.41	-	-

The carrying amount of cash and bank balances, trade receivables, trade payables, and other receivables & payables are considered to be the same as their fair values as they are short term in nature. The fair values of borrowings and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

* **Valuation techniques used to determine fair value :**

Specific valuation techniques used to value financial instruments includes quoted equity investments valued on quoted closing price on stock exchange and mutual funds based on closing NAV.

31 **Financial Risk Management Objectives And Policies**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at each reporting date, the company does not have borrowings, therefore it is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at each reporting date, the company does not have exposure in foreign currency, therefore it is not exposed to currency risk.

FALOD & MAHESHWARI FIRM NO. 151051W MUMBAI CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.
The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors. These deposits do not have any credit risk.
The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

(C) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities: (Rs. in Millions)

	0 - 1 year	1-2 year	2-3 year	3-4 year	Beyond 4 years	Total
As at 31 March 2020						
Trade payables	-	-	-	-	-	-
Other financial liabilities	0.39	-	-	-	-	0.39
	0.39	-	-	-	-	**0.39**
As at 31 March 2021						
Other financial liabilities	0.20	-	-	-	-	0.20
	0.20	-	-	-	-	**0.20**

32 CAPITAL MANAGEMENT

Risk Management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / repay debt. The primary objective of the Company's capital management is to maximise the shareholders' value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing.

(Rs. in Millions)

		As at 31 March 2021	As at 31 March 2020
Borrowings			-
Less: cash and marketable securities		25.30	93.68
Net debt	(i)	(25.30)	(93.68)
Total Equity	(ii)	110.29	126.69
Gearing ratio	(i)/(ii)	(0.23)	(0.74)

33 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Rs. in Millions)

	As at 31 March 2020		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	10.73	0.00	10.73
Bank Balance other than cash and cash equivalent	6.04	4.89	10.93
Investments	82.95	0.00	82.95
Other Financial assets	0.06	18.76	18.82
Tax assets (Net)	0.00	0.33	0.33
Deferred tax assets (Net)	0.00	0.72	0.72
Other non-financial assets	2.61	0.00	2.61
Total Assets	102.39	24.71	127.09
Liabilities			
Provisions	0.00	0.00	0.00
Other financial liabilities	0.39	-	0.39
Other non-financial liabilities	0.01	-	0.01
Total Liabilities	0.40	0.00	0.40

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

ANGEL SECURITIES LTD

Angel Securities Limited

Notes forming part of the Financial Statements for the year ended 31 March 2021

(Rs. in Millions)

	As at 31 March 2021		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	20.89	-	20.89
Bank Balance other than cash and cash equivalent	5.25	4.96	10.21
Investments	4.41	-	4.41
Loans	60.00	-	60.00
Other Financial assets	0.08	18.76	18.84
Tax assets (Net)	-	-	-
Deferred tax assets (Net)	-	0.31	0.31
Other non-financial assets	2.41	-	2.41
Total Assets	93.04	24.04	117.08
Liabilities			
Tax liabilities (Net)	6.48	-	6.48
Provisions	0.01	0.00	0.01
Other Financial liabilities	0.20	-	0.20
Other non-financial liabilities	0.01	-	0.01
Total Liabilities	0.21	0.00	6.70

34 **Dividend**
The Board of Directors have declared interim dividend on 13 July 2020 of Rs. 2.25 per equity share for ordinary equity shareholders total amounting to Rs. 12.38 Mn. No final dividend has been proposed or paid during the year ended 31 March 2021 and 31 March 2020.

35 **Subsequent Events**
There were no significant events after the end of the reporting year which require any adjustment or disclosure in the financial statements

36 The previous year numbers for the year ended 31 March, 2020 were audited by independent firm of chartered accountants other than Falod & Maheshwari.

37 During the year ended 31 March 2021 the Company filed application under Direct Tax Vivad se Vishwas Act, 2020 (VsV Act) in respect of litigation outstanding with Hon'ble Bombay High court for assessment year 2010-2011 and provided Rs. 6.76 Million in its books of accounts as per the provisions of the VsV Act.

38 COVID-19 outbreak was declared a pandemic by the World Health Organization on 11 March, 2020. Stock Broking services, being part of Capital Market operations has been declared as essential services and accordingly, the Company faced no business interruption on account of the lockdown. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.
As at 31 March, 2021, based on facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties, which affect its liquidity position; and its ability to continue as a going concern. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may inturn have an impact on the operations of the Company.

39 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 The financial statements of the company were authorised for issue in accordance with a resolution of the directors on 30 April 2021

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Falod & Maheshwari
Chartered Accountants
Firm Registration No: 151051W

FALOD & MAHESHWARI
FIRM NO. 151051W
MUMBAI
CHARTERED ACCOUNTANTS

Radheyshyam Falod

Radheyshyam Falod
Partner
Membership No. 31914

Place : Mumbai
Date : 30 April 2021

For and on behalf of the Board of Directors
Angel Securities Limited

Subhash Menon
Director
DIN : 08276123

Bhavin Parekh
Director
DIN: 08743757

Alpesh Dave
Company Secretary
Membership No: ACS 60994

Place : Mumbai
Date : 30 April 2021

The financial details of the Angel Crest Limited ('Transferee Company 2') for the previous 3 years as per the audited statement of Accounts:

Angel Crest Limited was incorporated on April 26, 2023 and hence no previous audited numbers are available for the Transferee Company 2.

For **Angel One Limited**
(Formerly known as Angel Broking Limited)

NAHEED REHAN PATEL

Digitally signed by NAHEED REHAN PATEL
DN: c=IN, o=PERSONAL, pseudonym=185cc68bb8e00be1e52d8c75bc7e183b, 2.5.4.20=ADA6B9D983B03C8E2802615C6EF01E3B8A58731E21325C14CE39B2D3D8F97442, postalCode=400059, st=MAHARASHTRA, serialNumber=333b54bd95a7b4b72066364d67a6162749f8eacabfc4132538e641ebee970e18, cn=NAHEED REHAN PATEL
Date: 2023.08.23 17:12:39 +05'30'

Naheed Patel
Company Secretary
ACS:22506