

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.

Department of Corporate Service
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Symbol: ANGELBRKG

Scrip Code: 543235

Sub: Submission of Annual report pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Ma'am,

We wish to inform you that the Twenty Fifth (25th) Annual General Meeting of Angel Broking Limited ('the Company') will be held on Tuesday, June 29, 2021 at 10.30 a.m. (IST) through Video Conferencing in accordance with the Ministry of Corporate Affairs ("MCA") Circular No. 20/2020 dated May 05, 2020 and Circular no. 02/2021 dated January 13, 2021 read with Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "SEBI Circulars").

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report of the Company along with the Notice of the 25th Annual General Meeting for the Financial Year 2020-21, which is also sent through electronic mode to those members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depositories.

The Annual Report is also available on the website of the Company, i.e. www.angelbroking.com.

Kindly take the same on record.

Thanking you,
For **Angel Broking Limited**

Naheed Patel
Company Secretary and Compliance Officer
Membership No. A22506

Date: June 07, 2021

Place: Mumbai

Encl: as above



CSO & Corporate Office:
6th Floor, Akruti Star, Central Road,
MIDC, Andheri (E) Mumbai-400 093.
Tel: (022) 40003600 | Fax: (022)
39357699

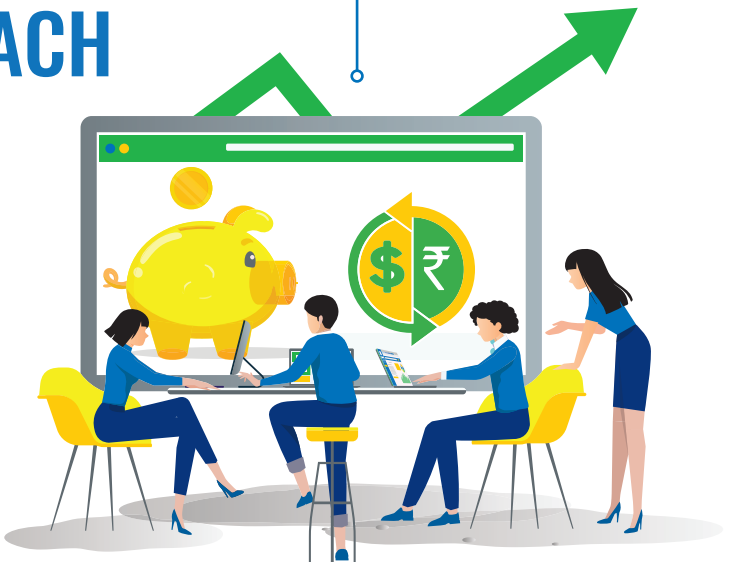
Regd Office:
G-1, Akruti Trade Centre, MIDC, Road
No-7, Andheri (E), Mumbai - 400 093.
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Angel Broking Limited
CIN: L67120MH1996PLC101709
SEBI Registration No Stock Broker: INZ000161534,
CDSL: IN-DP-384-2018, FMS: INP00001546, Research
Analyst: INH000000164, Investment Advisor:
INA000008172, AMFI Regn. No. ARN-77404, PFRDA,
Regn. No.-19092018.



EXPANDING
POSSIBILITIES

ENABLING INVESTMENT WITH
TECHNOLOGY AND REACH



LISTING CEREMONY 05 OCTOBER, 2020



Dinesh D. Thakkar, CMD, Angel Broking Limited and **Vikram Limaye**, MD and CEO,
National Stock Exchange of India Limited

LISTING CEREMONY 05 OCTOBER, 2020



Dinesh D. Thakkar, CMD, Angel Broking Limited and **Vinay Agrawal**, Whole-time Director and CEO (up to 17 April, 2021),
Angel Broking Limited

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THANK YOU
INVESTORS FOR YOUR
OVERWHELMING
RESPONSE TO THE IPO.

LISTING DATE
05 October, 2020

IPO OFFER PRICE
₹ 305 - ₹ 306 per equity share

SUBSCRIPTION
3.94x times


MARKET CAPITALISATION AS
AT 31 MARCH, 2021
₹ 23,828 million

BSE CODE
543235

NSE SYMBOL
ANGELBRKG

BLOOMBERG CODE
ANGELBRK:IN



Please find our online version at: 
[https://www.angelbroking.com/
investor-relations](https://www.angelbroking.com/investor-relations)

Disclaimer: This document contains statements about expected future events and financials of Angel Broking Limited (ABL), which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of this Annual Report.

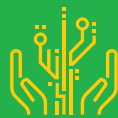
TECHNOLOGY IS CHANGING, EXPANDING, AND TRANSFORMING EVERY SPHERE OF OUR LIVES, RIGHT FROM HOW WE WORK AND LIVE TO HOW WE SAVE AND INVEST.

Millennials, who trust technology, are taking the seat as decision-makers. Their expectation as consumers is on a rise. Growing internet base, rising incomes, growing urbanisation and consumerism is paving way for new possibilities in the Fintech space. Together these are making the millennials and first-time retail investors aspire for more. There is an evident increase in investible wealth and a consequent surge in demand for easy access to high-performing and faster financial services.

With technology becoming mainstream, digital platforms offering broking services have gained even more significance. At Angel Broking Limited (ABL), we have leveraged our technological prowess and built a scalable and sustainable digital business model. Our comprehensive financial product suite and expert perspectives cater to the evolving needs of our clients. Through innovative digital platforms, we help investors achieve their goals while enhancing their trading journey.

As the economy recovers, equity market performs better and investor confidence strengthens, we are anticipating growth momentum to persist. There is a discernible prevalence of opportunities ready to be tapped in the Tier II, III and beyond cities. The possibilities are definitely expanding and we are ready to explore.

IMPRESSIVE **100%** OF DIRECT CLIENTS ACQUIRED DIGITALLY, WITH NO BRANCH NETWORK



ROBUST OVERALL RETAIL EQUITY TURNOVER MARKET SHARE OF **16.0%**



SERVING MORE THAN **4.1 MILLION** CLIENTS



PERFORMANCE

PARAMETERS THAT SPELL EXCELLENCE

₹ **12,990** million
TOTAL INCOME FOR
FY 2020-21

₹ **2,981** million
PROFIT AFTER TAX FOR
FY 2020-21[#]

₹ **38.8**
EARNINGS PER SHARE

₹ **11,310** million
NETWORTH AS ON
31 MARCH 2021

34.6 %
RETURN ON EQUITY
FOR FY 2020-21

₹ **12.9**
DIVIDEND PER SHARE

2,908
HUMAN CAPITAL

10.3^{*} million
MOBILE APPLICATION
DOWNLOADS

*This is for Angel Broking Mobile App and Angel BEE Mobile App combined
[#]From Continuing Operations



2.4 million
GROSS ACQUISITIONS
IN FY 2020-21

1.6 million
NSE ACTIVE CLIENT BASE
AS ON MARCH 2021

₹ 2.0 trillion
AVERAGE DAILY TURNOVER
IN FY 2020-21

97.9 %
PINCODES ACROSS INDIA
WITH ANGEL BROKING CLIENTS

16.0 %
OVERALL RETAIL EQUITY ADTO
MARKET SHARE IN FY 2020-21

8.3 %
NSE ACTIVE CLIENT
MARKET SHARE

16.2 %
MARKET SHARE IN INCREMENTAL
DEMAT ACCOUNTS

15,000 +
NO. OF AUTHORISED
PERSONS

Numbers are for consolidated financials and rounded off

Corporate Overview

Statutory Reports

Financial Statements

ANGEL BROKING LIMITED

NAME THAT SPELLS DIGITAL PROWESS

Incorporated in 1996, Angel Broking Limited ('ABL' or 'Company' or 'we') is a technology-led financial services company. It offers broking and advisory services, margin funding, loans against shares and financial products distribution. Backed by a rich legacy of over two decades and exemplary leadership, the Company today is one of the largest retail broking houses in India in terms of active clients on NSE. It is focused towards facilitating advanced digital experience for its clients through its digital prowess.

25

YEARS OF RICH LEGACY

No. 1

STOCK BROKING HOUSE
IN AUTHORISED PERSONS
REGISTERED WITH NSE

4th Largest

STOCK BROKING HOUSE IN
NSE ACTIVE CLIENTS

3rd Largest

INCREMENTAL NSE ACTIVE
CLIENT BASE

4.1 million

OPERATIONAL BROKING
ACCOUNTS*

* as of 31 March, 2021

The Company is dedicated towards fulfilling the diverse investment aspirations of its growing clients. It helps achieve its clients' goals using its advanced technology, integrated processes and financial expertise. The Company provides broking and allied services through state-of-the-art digital trading platforms, mobile applications and a robust network of over 15,000 Authorised Persons. It also offers user-friendly online platforms powered by ARQ – a rule-based

investment advisory engine. These digital tools let clients enjoy a seamless trading and investment experience.

ABL strives to constantly accelerate growth. It aims to deliver enhanced client experience by reinforcing its technological architecture and expanding reach.

The Company is well-placed to reap benefits from the development of Indian financial markets, prominence of digitalisation, and superior returns from such financial investments.



OUR VISION

To become the most preferred full stack Fintech platform for digital natives in India



OUR MOTTO

To develop an integrated ecosystem, incubating innovation, to deliver exceptional product and service to our clients

OUR COMPETITIVE FINANCIAL PRODUCTS AND SERVICE OFFERINGS

BROKING SERVICES

RESEARCH SERVICES

INVESTMENT ADVISORY

MARGIN TRADING FACILITY

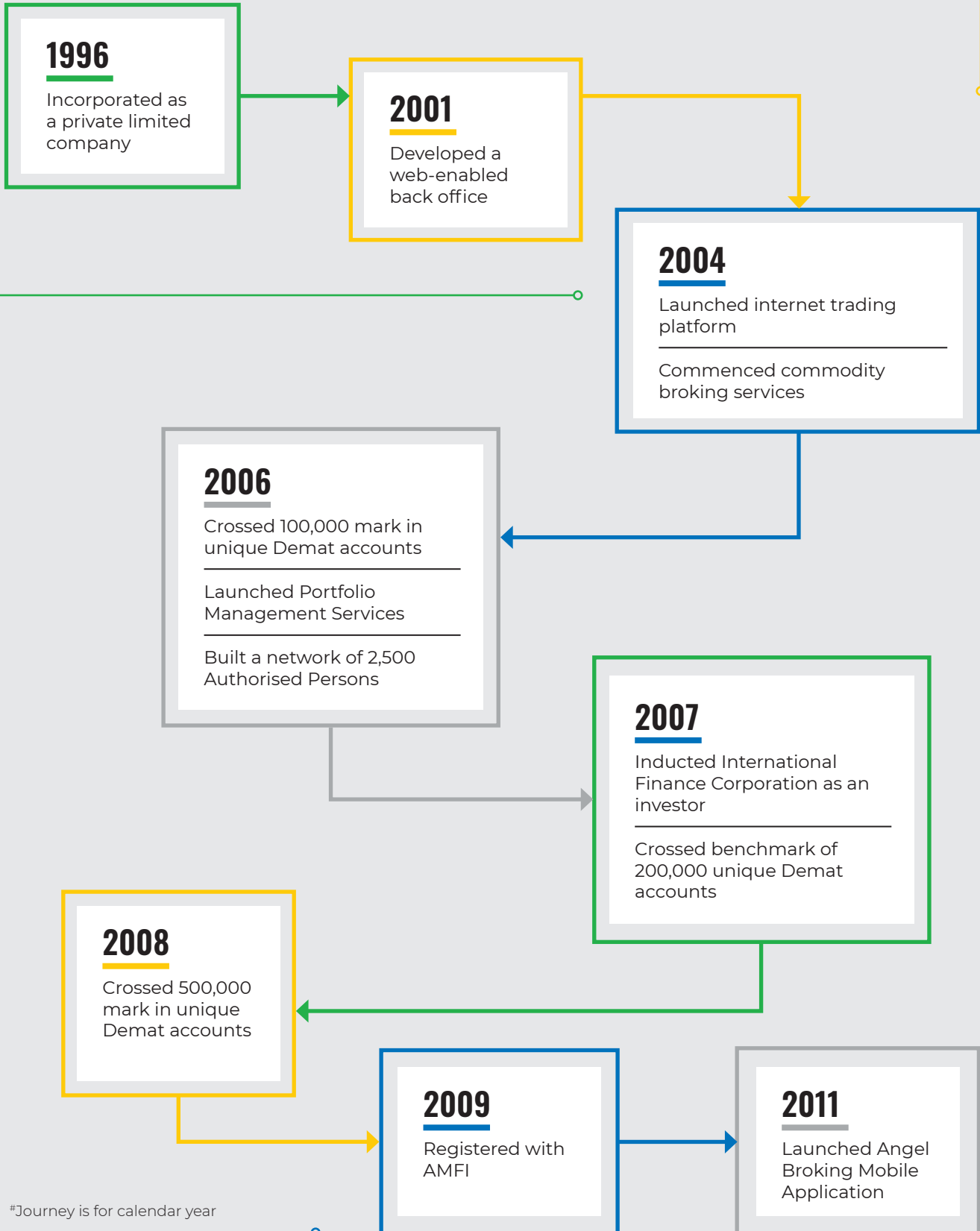
LOAN AGAINST SHARES

**DISTRIBUTION OF THIRD
PARTY FINANCIAL PRODUCTS**

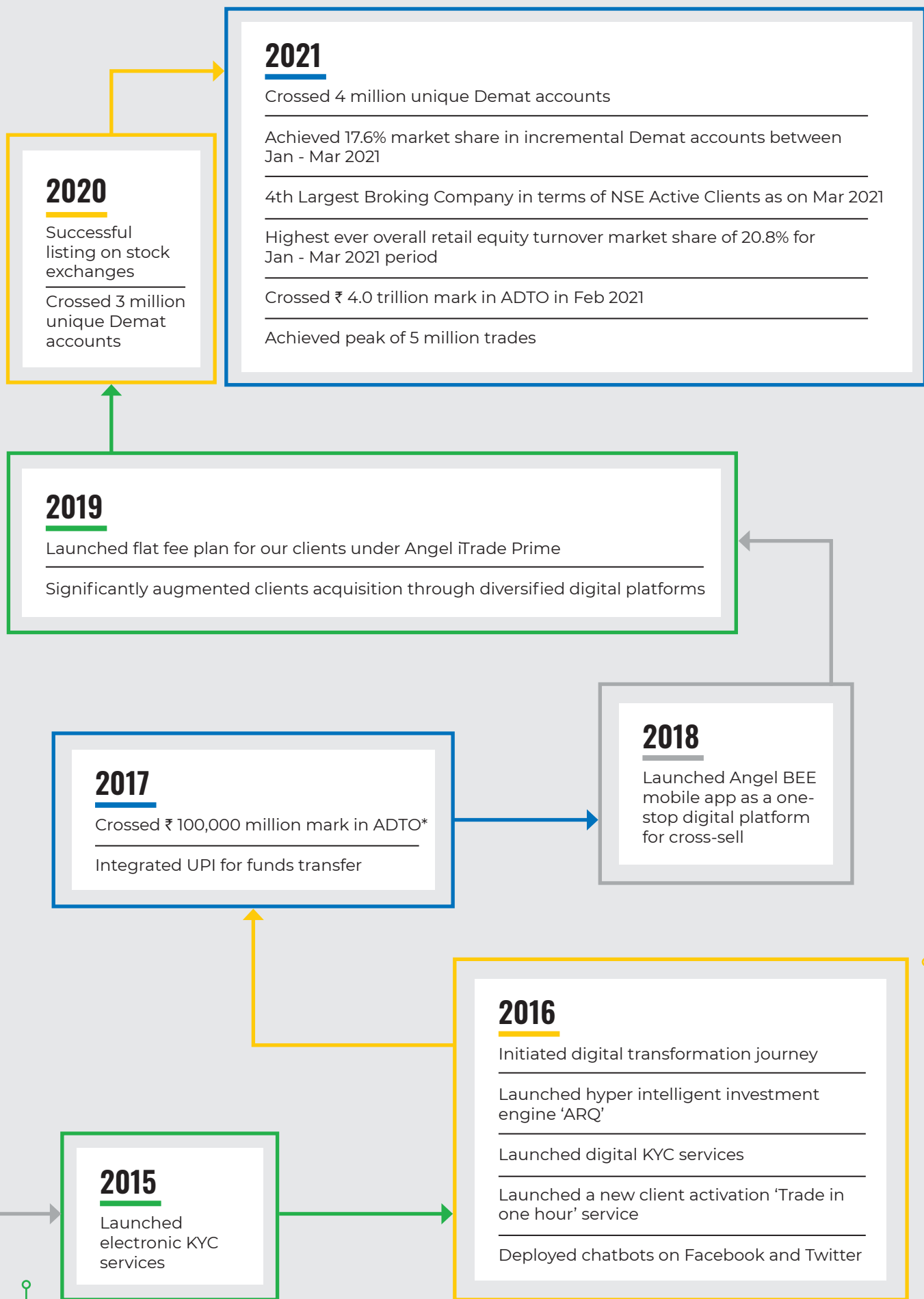
INVESTOR EDUCATION

OUR STRATEGIC JOURNEY OF OVER TWO DECADES#

*ADTO: Average Daily Turnover



#Journey is for calendar year



FROM THE CMD'S DESK



Integrating technology into the business since inception, has been the cornerstone of our growth strategy. The evolution of a flourishing digital ecosystem over the last few years, has helped us accelerate our vision of building a digitally powered financial services business. The last two years have been transformative, as we took huge strides in our endeavour to become a Fintech broking business.



Dear Fellow Shareholders,

It gives me immense pleasure to share with you our first Annual Report post our successful Initial Public Offering. This becomes all the more special as your company is celebrating its Silver Jubilee year. I express my heartfelt gratitude to all investors for your continued faith in us, which has always encouraged us to move forward and achieve newer milestones in our journey.

The onset of COVID-19 pandemic unleashed unprecedented challenges for major global economies during the year. India too was impacted, as the nation undertook stringent lockdown measures during H1 FY 2020-21. The momentary reaction of the stock markets to this initial period of lockdown, quickly turned euphoric with strong and decisive measures implemented by the Government to revive the economy from the initial shock. As a result, the benchmark indices posted their best ever annual performance in a decade. The Nifty delivered almost 71% return in FY 2020-21,

the best since FY 2009-10, while the Sensex gained 68% - highest in over 10 years. This clearly is in stark contrast to the gradual revival in the benchmark indices seen in the past.

During this period, we also experienced an increasing adoption of digitalisation across various industries, from education to entertainment, food delivery to e-commerce, gaming to BFSI, as client behaviour changed rapidly.

DIGITAL DRIVES GROWTH

STOCK BROKING AT AN INFLECTION POINT

FY 2020-21 has been momentous for the stock broking industry, in particular, with many milestones being achieved across various parameters. Whilst over the years, India witnessed a considerable change in its investor profile, with the share of individual investors on NSE steadily rising, FY 2020-21 witnessed the highest increase. Share of individual investors in NSE cash segment increased by ~600 bps in FY 2020-21, which was similar to the increase experienced over the entire period of FY 2016-20. This sharp increase for the year by individual investors offset the decline in share of institutional investors. One of the drivers of this massive shift, is the consistently diminishing returns from various risk-free asset classes. Investment in equities has emerged as a viable solution amongst young investors, who are tech-savvy and thus are able to gather substantial knowledge of this emerging asset class, with a plethora of information available on various digital platforms.

This buoyancy is driven by accelerated digitalisation of the industry over the past couple of years. It is due to these digitalisation efforts of new age brokers, that we saw more and more first time clients entering the markets with majority of them coming from Tier II, III and beyond cities. Fintech players, like Angel Broking, will be better positioned to garner a lion's share of the market in incremental Demat accounts, while also expanding the overall market pie as they scale up their technological edge. I believe, digitally powered businesses will continue to be a formidable force in growing the market, by making the entire journey of the clients extremely simple and seamless.

CONTINUED EFFORTS TO DEEPEN PENETRATION, NOW REAPING BENEFITS

India, home to one of the youngest and largest pool of tech-savvy millennials and Gen-Z population, has just begun to realise its digitalisation dividend. Brokers catering to these digital-first clients will witness hyper growth for years to come, as they disrupt the way business was being done. Both the channels, Direct to Client and B2B, will thrive as digitalisation accelerates resulting in deeper penetration into Tier II, III and beyond cities, thus, expanding the overall market size. As a result, digital brokers will experience benefits of scale and operating leverage, facilitating them to right price their products and services vis-à-vis their counterparts, who continue to operate under the physical model.

Accessibility to a network of high-speed internet even in

remote parts of the country, along with low-cost data packages and affordable smartphones are some of the key levers benefiting digital brokers to penetrate deeper into the country. In FY 2020-21, India opened 14.3 million new Demat accounts, thus taking the total Demat count to 55.1 million as of March 2021. Despite such strong addition and increasing participation of Tier II, III and beyond cities, equity penetration in the country continues to remain at just over 4%. When compared to USA, with 32% Demat account penetration as on 2018, and China, with 11.4% penetration as on December 2019, my belief in India's sustainable growth opportunities, especially for Capital Markets strengthens further. This is further reinforced with rising disposable income and financial awareness amongst the younger generations.

DIGITAL BROKERS LEAD OVERALL GROWTH IN ACTIVE CLIENTS

With a substantial rise in first-time investors and those originating from Tier II, III and beyond cities, the number of active clients on NSE increased to 18.9 million in FY 2020-21 from 4.3 million in FY 2013-14, recording a 23.6% CAGR over this period. As digital brokers consistently penetrated into different geographies and upgraded their product offerings, their share in NSE active clients also increased significantly. In FY 2020-21, ~73% of incremental NSE active clients were added by Top 5 digital brokers. Share of these Top 5 digital brokers in overall NSE active client base steadily increased to just over 47% in FY 2020-21 from low single digits

in FY 2014-15. I am confident that their share will continue to increase over the foreseeable future, to gain a dominant market position and your company will spearhead this growth.

Higher active client base led to 75.3% growth in overall retail equity average daily turnover to ~₹ 12.0 trillion in FY 2020-21 from ~₹ 6.8 trillion in FY 2019-20 for the industry. I am confident that with our far-reaching ability, covering 97%+ of India's pincodes, your company is well positioned to benefit from this huge untapped sea of opportunity.

Moreover, my experience of the last couple of decades has been that the proactive steps taken by the regulator have only protected investor interest and propelled their confidence in the markets further. I express my gratitude to all the Capital Market regulators for such initiatives.

REMARKABLE YEAR FOR ANGEL BROKING

With a dynamic, technology driven client shift across global markets, there is a rising demand for more convenient and DIY digital platforms. As a result, even global broking behemoths have increasingly adapted to advanced technology and created disruptive digital business models. Indian broking firms too, have embraced rapid digitalisation to cater to the changing client needs for faster and secure digital platforms. FY 2020-21 built an exciting opportunity for Fintech brokers like us! Improving digital payment options have played a pivotal role in widening the net for financial service providers, who can easily reach out to

clients of Tier II, III and beyond cities.

At Angel Broking, we leveraged our technology by extensively using Artificial Intelligence and Machine Learning and expanded our market share by targeting the right client. Today, approximately three out of every four incremental NSE active clients are owned by top five digital brokers in the country. I am happy to share that

Angel Broking is positioned in the top quartile among digital brokers in India and is well-placed to expand its reach and strengthen market share backed by our world-class digital presence.

Our position as the 4th largest broking house on NSE in terms of active clients and 3rd largest in incremental NSE active clients as of March 2021 is a testament to our efforts to provide seamless digital experience to our clients.

Our share in incremental NSE active clients increased to 12.2% during FY 2020-21, while the market share for NSE active client base expanded to 8.3% during the same period. ~38.0% of our overall client base was active as on March 2021, against 34.3% average for the industry.



I firmly believe that a broking business which completely connects to and serves clients through their digital user-friendly apps and interfaces will play pivotal role in attracting young investors, who are increasingly looking for easy-to-use, secure and hassle-free trading platforms.



NURTURING A CULTURE OF SUSTAINABILITY & DEVELOPMENT

As a responsible organisation, we abide by a robust governance framework with proper internal control and effective stakeholder engagement. Aligned with global Sustainable Development Goals as well as India's Organization for Economic Co-operation and Development-National Institute for Financial Education (OECD-NIFE), we support financial literacy programmes to educate youth and enable them to take informed investment decisions. We continuously nurture our human capital through technology-integrated training and development programmes and by providing progressive work environment.

PIONEERING A GROWTH & INNOVATION-CENTRIC FUTURE

As one of the leading digital broking houses, we aim to play a significant role in promoting financial inclusion, reaching to millennials across the country by offering innovative and accessible products.

We also look forward to strengthen our share in diverse financial products such as insurance, mutual funds, loan products and cross sell it to

our existing clients. With our extensive domain knowledge and digital prowess, we are well-placed to capitalise on the existing opportunities in the economy.

Investment in financial products has become essential to achieve one's financial goals and aspirations. We believe the current generation, which is mobile phone and technology savvy, will continue the growth story from here. Our role in this growth opportunity will be in facilitating them to invest in the most appropriate manner. Correct product suite at a simplified pricing, places us competitively in the industry.

We continue to penetrate deeper into Tier II, III and beyond cities, where we believe there is ample opportunity to grow.

Recently, we lost a very able leader and a very dear colleague Vinay Agrawal. Vinay's two decades of contribution with us has been invaluable. He has played a very important role in scaling up the organisation to where we are today. Vinay's sudden demise is a big loss for all of us. We have all lost a friend and a great human being. May Vinay's soul rest in peace.

I wish to thank the regulatory authorities, all Board Members, the management team, colleagues & their families and

the larger stakeholder fraternity for their continued guidance and support throughout our growth journey.

Yours Sincerely,

Dinesh D. Thakkar

Chairman & Managing Director



CEO'S COMMUNIQUE

Dear Shareholders,

I am delighted to share with you my first communication as the Chief Executive Officer of your Company. I have stepped into the shoes of a visionary leader, who has strategically steered your Company through some of the most challenging times, to make Angel Broking one of the formidable and dominant broking business in India.

With the advent of a strong digital ecosystem, led by the Digital India campaign, your Company envisaged the benefits of digitalisation in India's stock broking industry and commenced its journey to transform into a full digital broker as early as 2016. Your Company created a bouquet of digital assets and completely overhauled all its processes, during this transformational



Backed by its digital business model, financial expertise and realistic strategies, your Company would further continue to expand its investment opportunities and reach out to the millennials in Tier II, III and beyond cities.



journey. The biggest challenge was to embrace this change internally. Your Company was able to overcome this challenge as it strongly and effortlessly inculcated a digital first approach within the entire organisation, to give shape and form to its growth strategy.

FY 2019-20 was a watershed year, where your Company disrupted itself and launched an extremely competitive and all-encompassing flat brokerage plan, along with a multi-pronged strategy of shedding all its client facing physical resources. This, along with the complete digital first strategy, catapulted us to top of the league in the industry. In spite of a substantial decline in tariff, your Company successfully achieved numerous milestones.

The overwhelming success of your Company's self-disruption, further strengthened its resolve to take the competition head-on and target pole position in the foreseeable future.

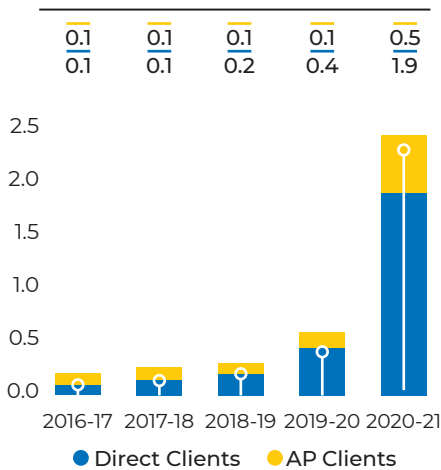
FY 2020-21 has been a path-breaking year for Angel Broking, where your Company further strengthened its position across all important metrics, reaping the

benefits of being a true digital player.

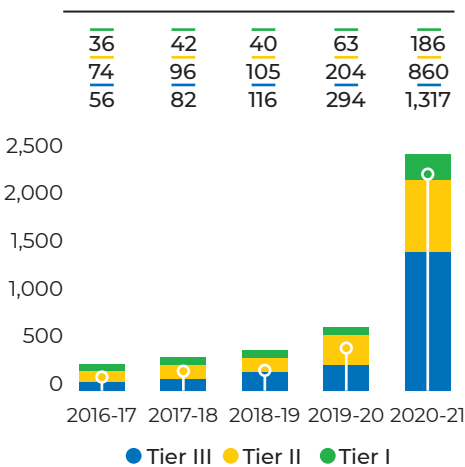
During the year, your Company achieved highest gross client acquisition in a year, of 2.4 million, thereby more than doubling the overall client base to 4.1 million in March 2021 up from 1.8 million in March 2020. The share of incremental clients coming from Tier II, III and beyond cities increased to around 92% in FY 2020-21, with median age of clients declining to 30 years now. This robust client addition translates into 16.2% market share in incremental Demat accounts for FY 2020-21 as compared to 6.9% in FY 2016-17.

Your Company's robust Artificial Intelligence and Machine Learning based targeted digital acquisition strategies, along with industry leading seamless on-boarding process, helped it to achieve unprecedented growth. Your Company's digital first marketing strategy, along with robust product suite found strong traction amongst the millennial and Gen Z generation, residing mostly in the hinterlands of the country and has played a very pivotal role in this feat.

GROSS CLIENT ACQUISITION (million)



TIER-WISE GROSS CLIENT ACQUISITION (thousand)



DIGITAL JOURNEYS FACILITATED ROBUST CLIENT ACTIVATION

As a part of its transformation strategy, your Company digitalised client journeys to give them the same experience they received from a physical model. Your Company has created:

- ▲ 150+ client target segments to help it meet client needs throughout their lifetime
- ▲ More than 60 personalised offers ranging from cashbacks, scratch cards, trade-free periods, amongst others
- ▲ 120+ advisory segments based on client behaviour to match the right advisory
- ▲ More than six Machine Learning predictive and classification processes, to customise programmes for its clients at the right time.

There are more than five different communication channels to deepen client engagement and facilitate them throughout their journey.

As a result, Angel Broking's client-centric strategy and digital transformation, has placed it at the forefront of the digital broking industry with a scalable and profitable business model.

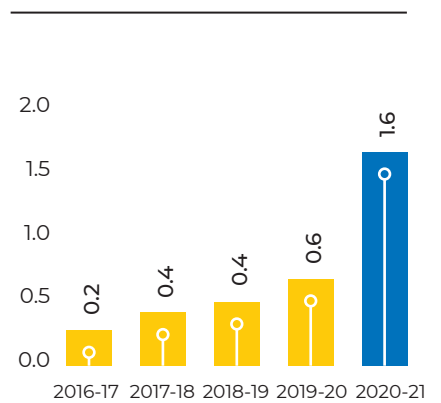
High client acquisition supplemented by seamless journeys translated into robust 171.4% YoY growth in the NSE active client base to 1.6 million as on March 2021 from 0.6 million as on March 2020. This sharp improvement in NSE active client helped your Company to move up to 4th rank and garner a market share of 8.3% as of March 2021, an improvement of 294 bps over March 2020.

The quality of your Company's client is amongst the best in the industry with 38.0% of the total client base being active in FY 2020-21, as compared to the industry average of 34.3%.

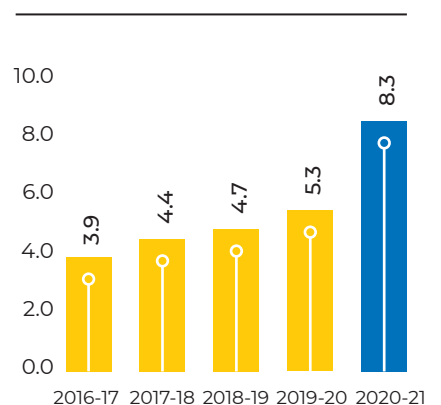


Your Company's digital acumen came handy in strong client acquisition and in achieving a larger market share

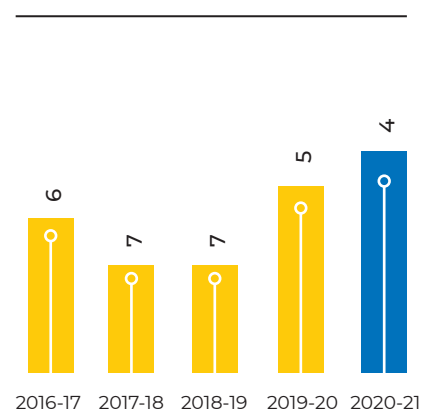
ABL'S NSE ACTIVE CLIENT BASE (million)



ABL'S MARKET SHARE IN NSE ACTIVE CLIENT BASE (%)



ABL'S RANK IN NSE ACTIVE CLIENT BASE



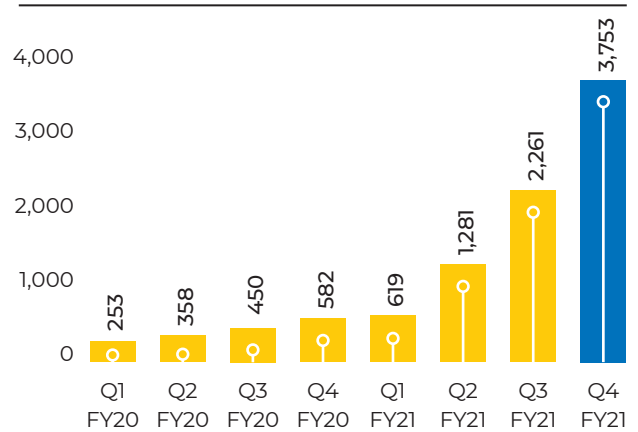
SIGNIFICANT SCALE UP IN TURNOVER AND MARKET SHARE ACROSS SEGMENTS

As your Company reached out to more clients across the country and expanded its active base, your Company recorded its best ever average daily turnover (ADTO) in a year, across all segments:

- ▲ Overall retail equity ADTO increased by 380.1% YoY to ₹ 2.0 trillion, with March 2021 ADTO being at ₹ 4.0 trillion
- ▲ Retail F&O ADTO increased by 442.9% YoY to ₹ 1.8 trillion, with March 2021 ADTO being at ₹ 3.9 trillion
- ▲ Retail cash ADTO increased by 120.2% YoY to ₹ 64.4 billion, with March 2021 at ₹ 54.6 billion
- ▲ Retail commodity ADTO increased by 51.7% YoY to ₹ 56.6 billion, with March 2021 ADTO being at ₹ 51.7 billion
- ▲ Retail currency ADTO increased by 162.8% YoY to ₹ 18.6 billion, with March 2021 being at ₹ 27.7 billion

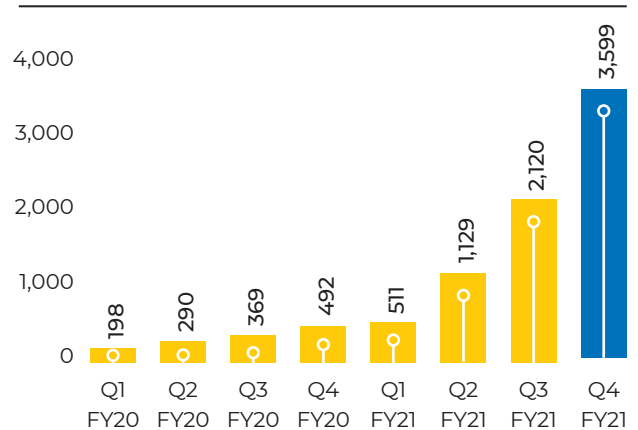
OVERALL RETAIL EQUITY ADTO

(₹ billion)



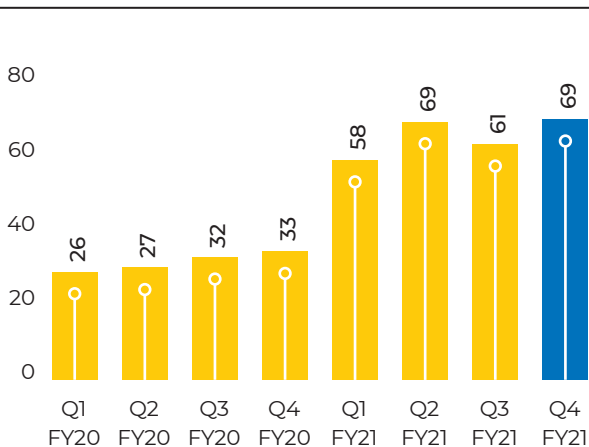
RETAIL F&O ADTO

(₹ billion)



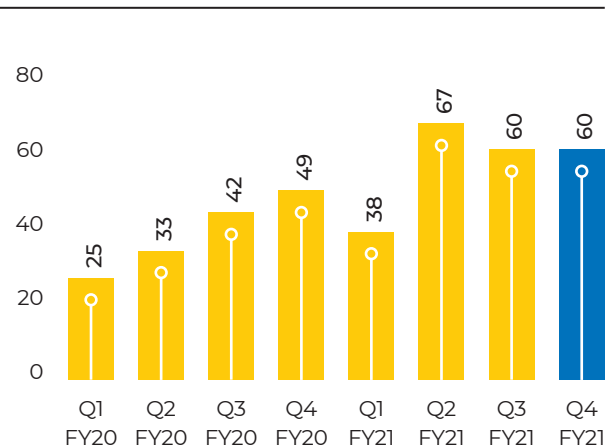
RETAIL CASH ADTO

(₹ billion)



RETAIL COMMODITY ADTO

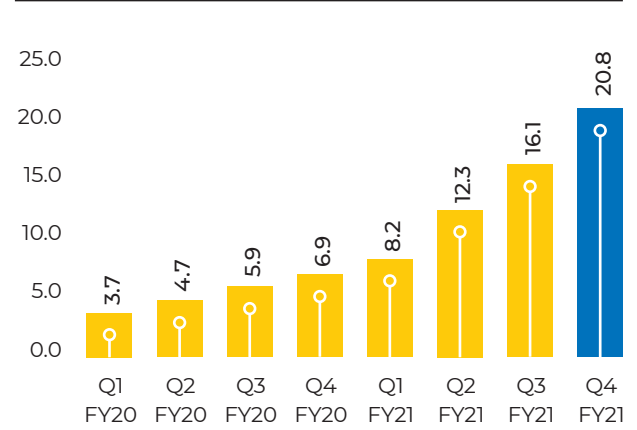
(₹ billion)



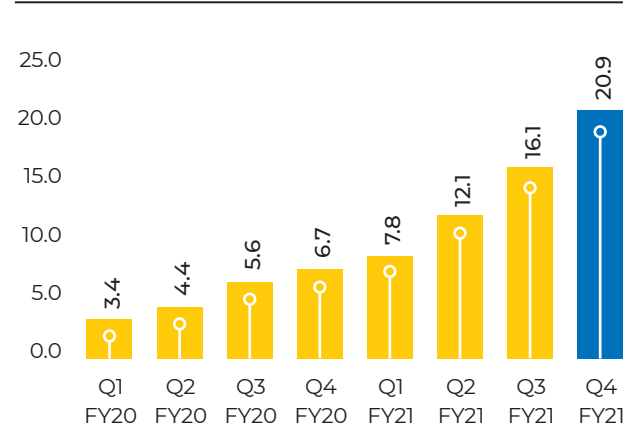
This robust growth in your company's ADTO translated into strong expansion in retail turnover market share across segments:

- ▲ Overall retail equity turnover market share expanded by 1,511 bps to 21.5% in March 2021 over March 2020
- ▲ Retail F&O turnover market share expanded by 1,551 bps to 21.7% in March 2021 over March 2020
- ▲ Retail cash turnover market share expanded by 256 bps to 14.5% in March 2021 over March 2020
- ▲ Retail commodity turnover market share expanded by 669 bps to 24.7% in March 2021 over March 2020

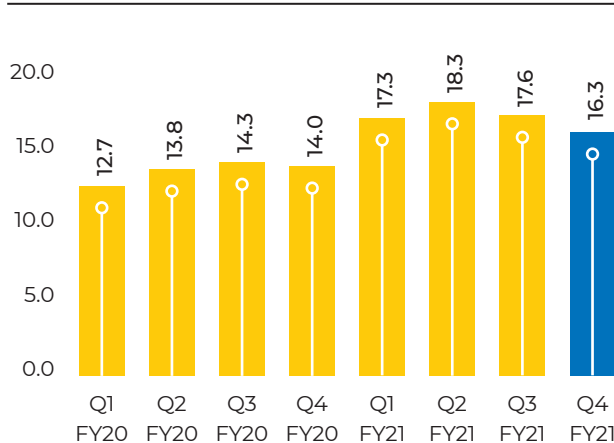
OVERALL RETAIL EQUITY TURNOVER MARKET SHARE (%)



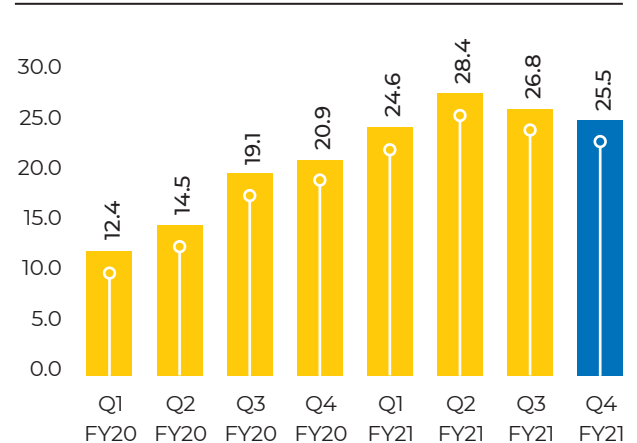
RETAIL F&O TURNOVER MARKET SHARE (%)



RETAIL CASH TURNOVER MARKET SHARE (%)

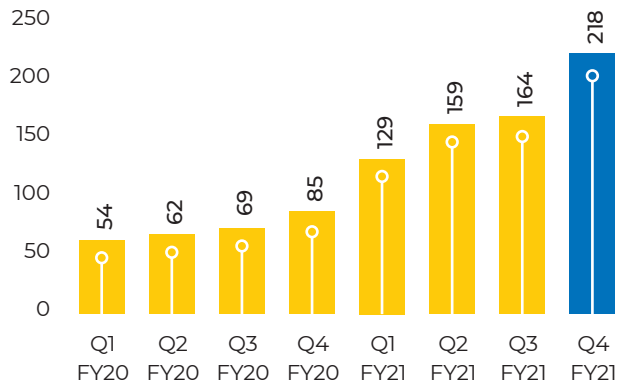


RETAIL COMMODITY TURNOVER MARKET SHARE (%)

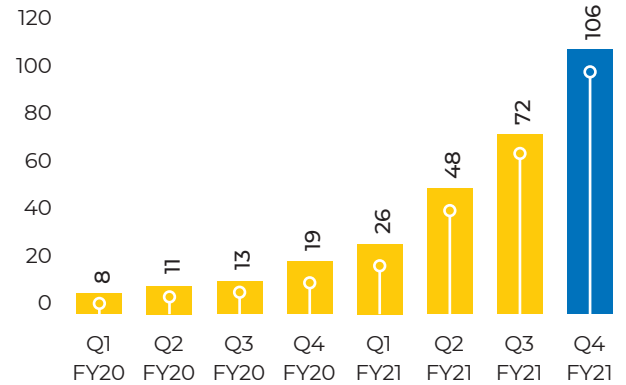


NUMBER OF TRADES

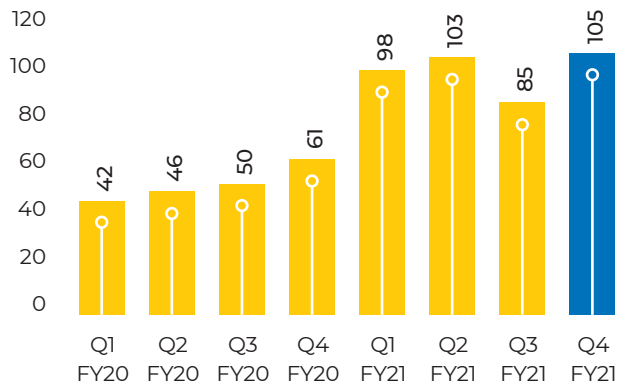
TOTAL TRADES (million)



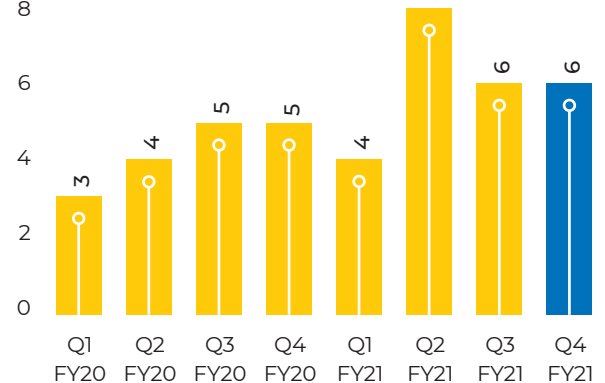
F&O TRADES (million)



CASH TRADES (million)



COMMODITY TRADES (million)



During the year, your Company's client funding book witnessed some volatility, in line with the movement of the markets. However, the book grew approximately 3.8x to ₹ 11.7 billion as on March 2021 from ₹ 3.1 billion as on March 2020 with stable NIM.

GROWTH SUPPORTED BY FORWARD-LOOKING REGULATIONS

During the year, Securities & Exchange Board of India (SEBI) introduced a series of regulatory measures to further strengthen the interest of retail investors

- ▲ Alternative Risk Management Framework for Commodities
- ▲ Upfront margin norms
- ▲ Pledge-Repledge
- ▲ Peak Margin

In the light of the unprecedented event of negative crude oil price in April 2020, SEBI prescribed an Alternative Risk Management Framework that would be applicable in case of near zero and/or negative price for any

underlying commodity/futures. The regulator also increased the pre-expiry margin on last five trading days prior to expiry date, by 5% every day on cash settled contracts where the underlying commodity is deemed susceptible to possibility of near zero and/or negative price.

From September 2020, SEBI mandated trading members and clearing members to collect and report margins collected from clients for trades executed in the cash segment.

SEBI introduced a new pledge-repledge-unpledge system for stocks to safeguard investors from brokers misusing client funds and/or securities entrusted to them. SEBI replaced the earlier process of moving securities between the brokers and clients Demat accounts with a process of creating pledge of those securities from the clients Demat account. This is a client controlled OTP based process, which has done away with the earlier practice of moving securities through a Restricted Power of Attorney.

The peak margin regulations are being implemented in four phases from December 2020 onwards. While this may have some impact on volumes in the near term, the change is structurally positive in the long-term as it helps improve longevity of investors in the industry.

These regulations will further fortify the interest of retail investors, and therefore are in the best interest of the markets.

STRONG CONSOLIDATED FINANCIAL PERFORMANCE

With a 72.1% YoY growth in topline and strong measures to rationalise cost, your company achieved significant leverage in operating profit with the operating profit margins expanding by 1,850 bps to 47.9% in FY 2020-21 from 29.4% in FY 2019-20. This translated to a massive 243.4% YoY growth in Profit After Tax (from continuing operations) to ₹ 2,981 million in FY 2020-21 from ₹ 868 million in FY 2019-20. On an expanded equity base, this translates into an Earnings Per Share of ₹ 38.8 in FY 2020-21.

The asset light model of Angel Broking's business helps generate robust cash flows, which continue to strengthen the balance sheet and network. The business generated Return on Average Equity of 34.6% in FY 2020-21 as compared to 15.5% in FY 2019-20.

GOING FORWARD

My vision for Angel Broking is to be India's largest, most trusted and revered Fintech company. With the onset of digitisation, I strongly believe that India's broking industry is at the cusp of an unprecedented growth going forward. Digitisation of various processes ranging from client acquisition, client advisory and engagement, coupled with continuous investments in products and technology, with an indomitable focus on enhancing user experience across segments, will be a key driver of this growth.

As more aspects of this wealth creating industry get digital, I am convinced that Wealth Tech will permanently change the way investing has been done; and Angel will certainly lead this change. Today the industry has access to world-class talent, rapidly improving infrastructure, high degree of innovation and one of the best regulatory frameworks, to support this future growth. We plan to use these levers to our advantage to strategically expand our product offering and services, to become a one-stop shop in digital broking and investment space.

At Angel, we have already embraced this change over the last few years and our FY 2020-21 operational and financial results are a testimony of this. We are fully geared to capitalise on the huge growth opportunity

of the Wealth Tech industry with our continuously evolving platforms and client journeys. Our endeavour is to become the first-choice Fintech partner for every Indian, as they scale their wealth creation journey from start to retirement. I am convinced that as the industry dawns a new era, Angel Broking is best placed to garner a significant share.

Finally, I extend my gratitude to all Angelites for their undying spirit, that has made Angel one of India's best companies today. Being continuously featured as a 'Great Place to Work' over the last 5 years is validation of these efforts. I am grateful to every single individual associated with the Company for their commitment to drive financial inclusion and expand the horizons of investment.

Yours Sincerely,

Narayan Gangadhar
Chief Executive Officer

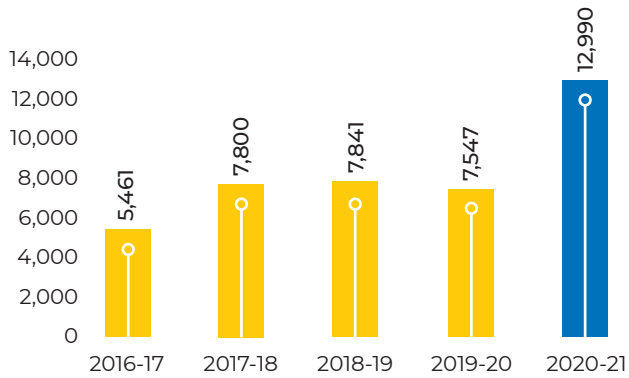


FINANCIALS

NUMBERS THAT SPELL PRUDENCE

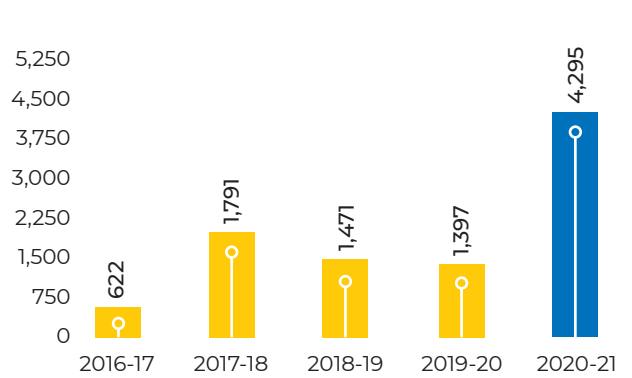
TOTAL INCOME (₹ million)

5 Years CAGR **24.2%**



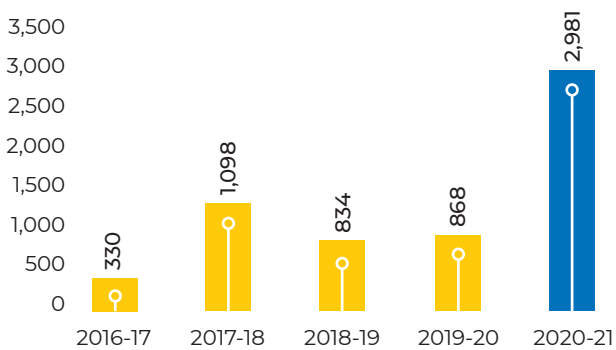
EBDAT* (₹ million)

5 Years CAGR **62.1%**

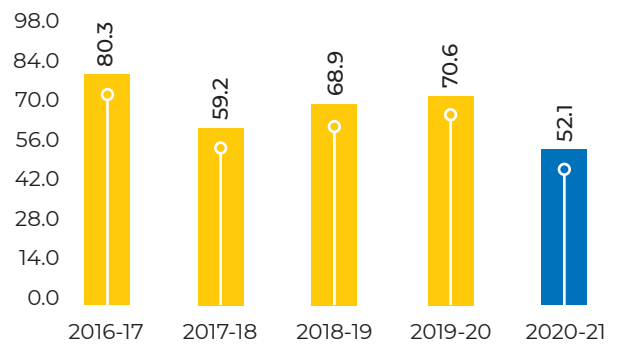


PROFIT AFTER TAX (₹ million)

5 Years CAGR **73.3%**



COST TO NET INCOME (%)

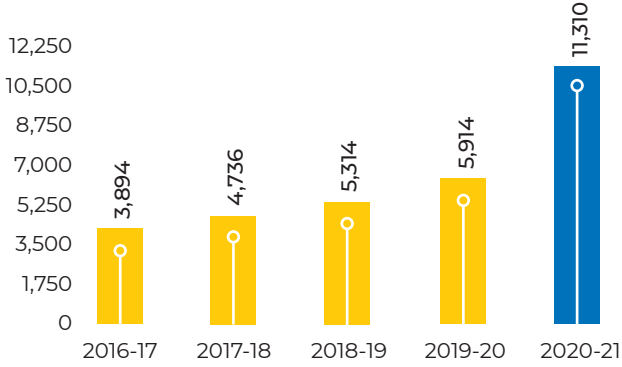


*EBDAT: Earnings before Depreciation, Amortisation and Tax

Note: The above figures are consolidated financials. FY 2016-17 is as per I-GAAP and FY 2017-18 onwards is as per Ind AS

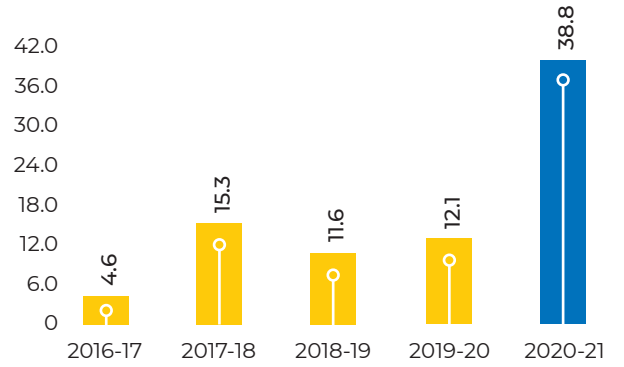
NET WORTH (₹ million)

5 Years CAGR **30.5%**

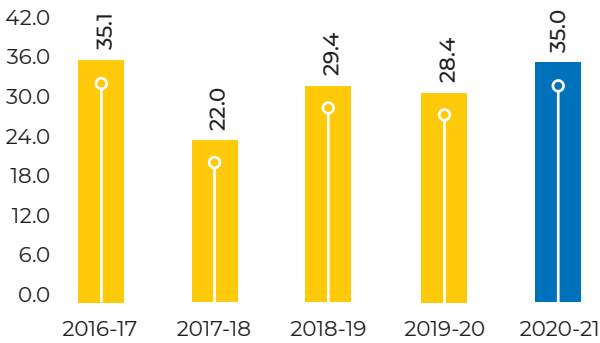


EARNINGS PER SHARE (₹)

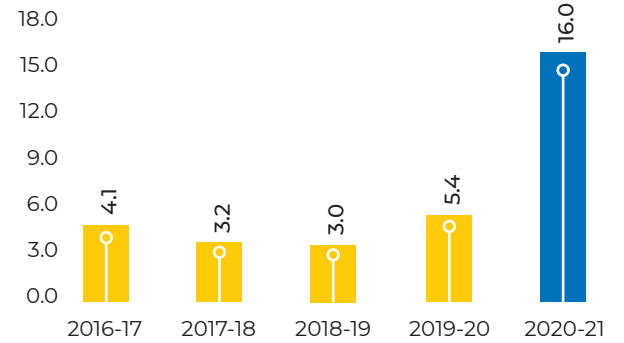
5 Years CAGR **70.4%**



DIVIDEND PAY-OUT (%)

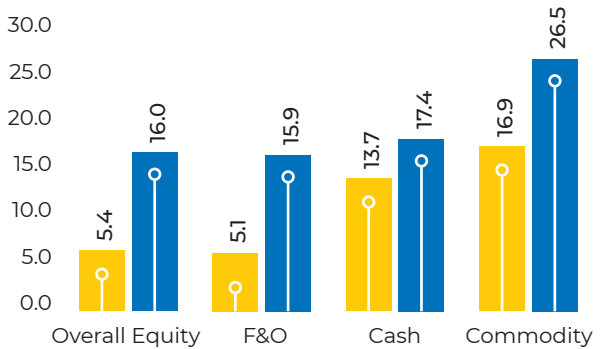


OVERALL RETAIL EQUITY MARKET SHARE (%)



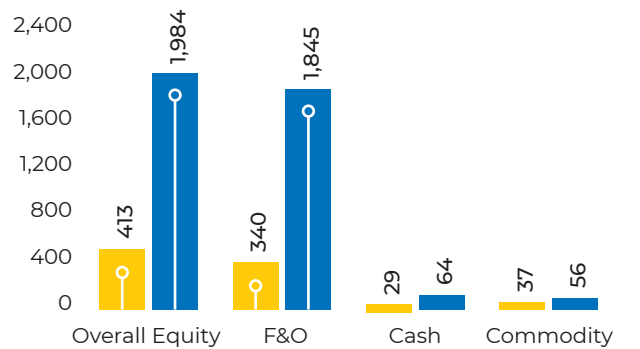
TURNOVER MARKET SHARE (%)

● 2019-20 ● 2020-21



AVERAGE DAILY TURNOVER (ADTO) (₹ billion)

● 2019-20 ● 2020-21

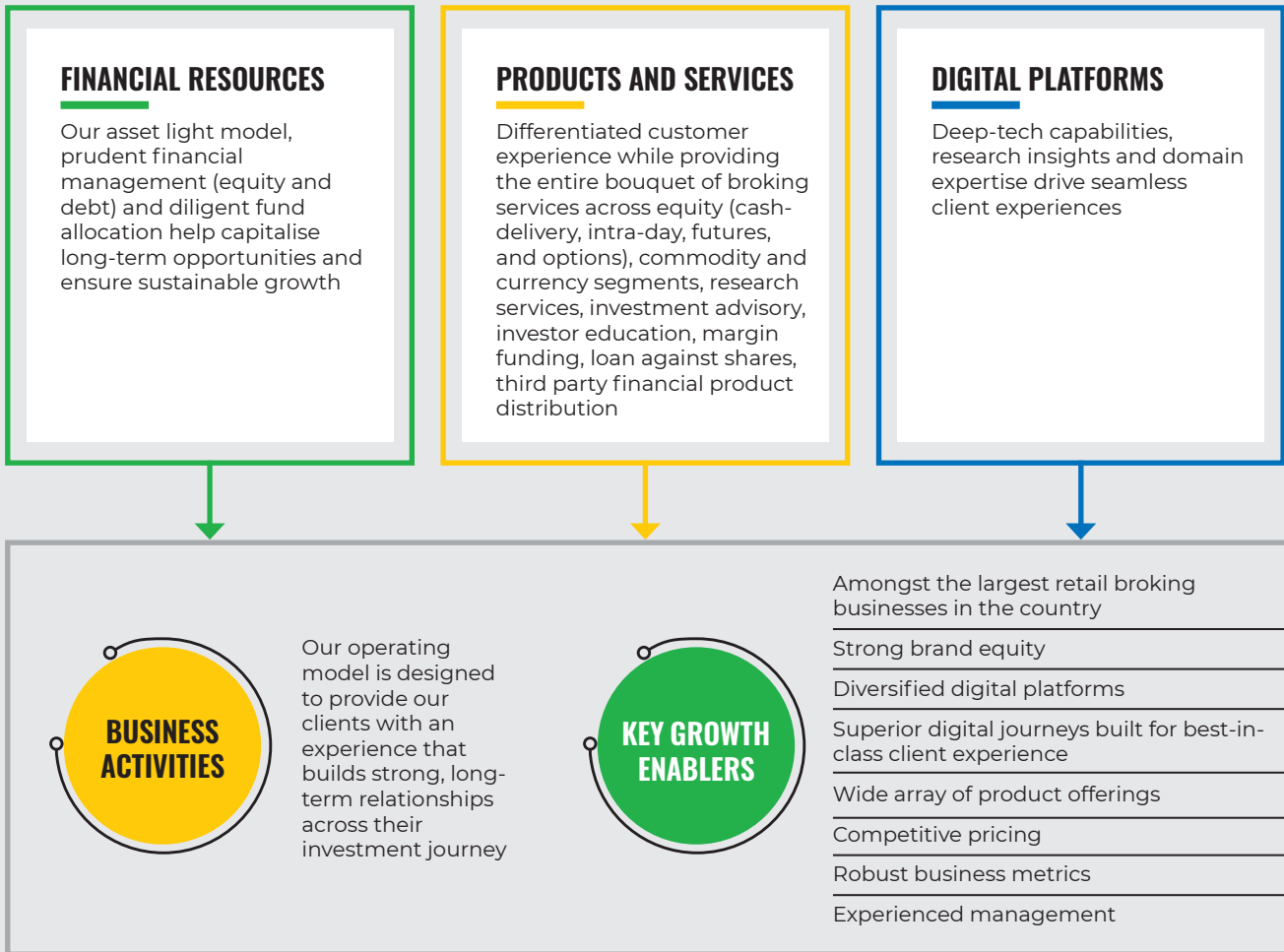


EXPANDING POSSIBILITIES

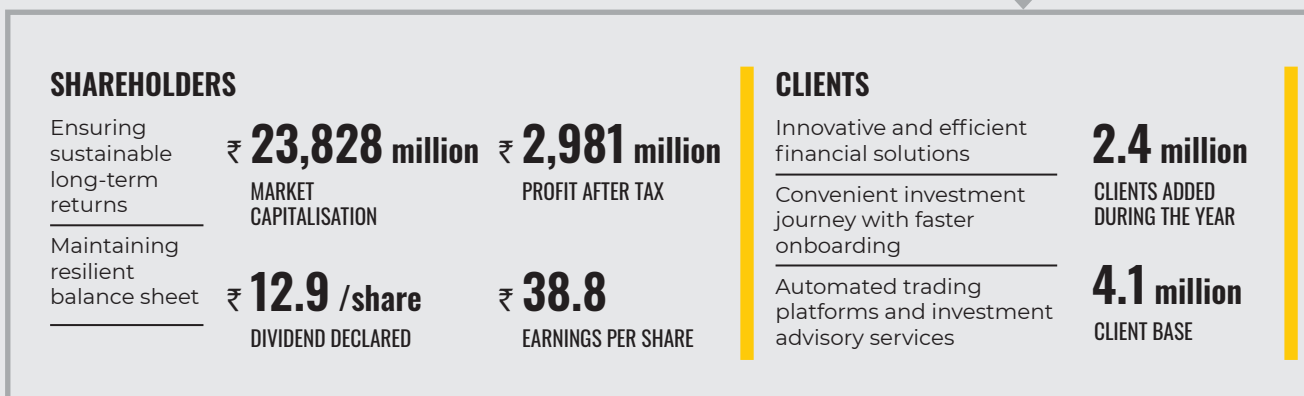
THROUGH OUR VALUE-CREATING BUSINESS PROCESSES

We transform resources through our business activities and generate output in the form of innovative financial products and services. Our focus is always on leveraging our size, scale and expertise, for generating significant and meaningful value for all our stakeholders.

KEY INPUTS



VALUE CREATED FOR KEY STAKEHOLDERS



RICH EXPERTISE

Robust team and their skills, experiences, motivation to innovate, develop and improve processes, products and services through meritocracy, leadership and collaboration

STRONG RELATIONSHIPS

Commitment to build enduring, mutually beneficial partnerships with our communities, clients, channel partners, Government, regulators and other stakeholders

SUSTAINABILITY APPROACH

Positive impact on natural resources through our operations and business activities by aiming carbon-neutral and efficient usage of energy, air, water, and waste management

KEY STRATEGIC PRIORITIES

Strengthening our dominant position to become the country's largest retail broking business

Capitalising on the country's growing investable wealth with a diversified product suite

Leveraging the best-in-class digital capabilities, mobile platforms, artificial intelligence for a seamless client experience

EMPLOYEES

Increasing productivity

Ensuring work-life balance

Promoting diversity and inclusion

Providing career growth opportunities

507

EMPLOYEES ADDED DURING THE YEAR

112,912 hours

TRAINING FOR ALL EMPLOYEES

'GREAT PLACE TO WORK'

CERTIFICATION RECEIVED FOR FIVE CONSECUTIVE YEARS

COMMUNITIES

Providing community support

Undertaking initiatives aimed at skill development, education, and healthcare

10,000+

LIVES TOUCHED DURING THE YEAR

₹ 28 million

SPEND ON CSR ACTIVITIES

GOVERNMENT

Responsible tax payments

Ethical and transparent business practices

Compliance with the applicable regulations and guidelines

EXPANDING POSSIBILITIES

BY LEVERAGING UNTAPPED
OPPORTUNITIES

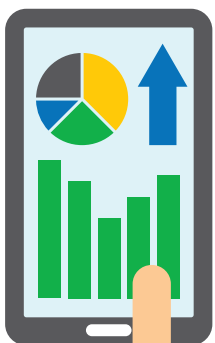


EXPANDING POSSIBILITIES

BY LEVERAGING UNTAPPED OPPORTUNITIES

Identifying opportunities is like identifying future. At Angel Broking Limited, we are constantly striving to explore the deeper pockets of our nation through the Tier II, III and beyond cities, millennials and first-time retail investors. Prospective investors under this category are decisively making investment choices, through diverse financial products, as they are choosing beyond the traditional forms of investment and we know, this is where the future is.

ABL is charting its expansion strategy based on the evolving financial landscape of India. Rising income levels and growing aspirations amongst young investors are playing a vital role in this evolution. Moreover, growing urbanisation, increased consumerism, easy access to information and digital investment tools are further steering the wave of change in Indian equity market. Together these factors are instrumenting an increase in demand for easy investment options with better returns.



FLEDGING EQUITY CULTURE

Post the pandemic, the economy is set for a strong recovery with high liquidity flows and increased retail participation from the tech-savvy clients. Equity markets saw an unprecedented increase in the total number of new Demat accounts opened and the total number of clients transacting on NSE (NSE-active) during the year.

~ 71%
NIFTY RETURNS IN
FY 2020-21

14.3 million
INCREMENTAL
DEMAT ACCOUNTS
DURING FY 2020-21

RISING DIGITAL TRENDS

With the Government's 'Digital India' programme, internet has reached even the remotest areas of the country especially with increased availability of affordable data and smartphones. As a consequence, there has been a rapid adoption of digital tools for faster and secure transactions by tech-savvy young investors across the country. Growing technology trends present a huge potential for technology-based services to grow in the future.

1,290 million
AADHAR GENERATED
TILL MARCH 2021

700 million
ACTIVE INTERNET
USERS IN 2020

16.3 %

PROJECTED CAGR* OF ACTIVE INTERNET USERS FROM 2016-23

690 million

MOBILE INTERNET USERS IN 2020

20.4 %

PROJECTED CAGR* OF MOBILE INTERNET USERS FROM 2016-23

50 %

INTERNET PENETRATION IN 2020

Source: UIDAI, Datareportal, Ericsson Mobility Report, Cisco, NPCI

*Compounded Annual Growth Rate

FAVOURABLE DEMOGRAPHY

India offers rich demographic dividends in the form of rising young population, urbanisation and rising disposable income, among others. The growing young population, including millennials prefer easy-to-use and convenient investment channels with better returns.

Source: IMF, Frost & Sullivan Analysis, Outlookindia.com, UN Population Division

~14 GB

AVERAGE DATA CONSUMPTION PER USER PER MONTH IN 2020

39 %

PROJECTED CAGR* OF DATA CONSUMPTION PER USER PER MONTH FROM 2016-23

9,144 million

CUMULATIVE NUMBER OF E-KYC TRANSACTIONS

78 %

GROWTH IN VOLUME OF UPI TRANSACTIONS IN FY 2020-21

65 %+

WORKING POPULATION ESTIMATED IN 2021

~27 %

YOUTH POPULATION OUT OF 1.3 BILLION PEOPLE IN 2020

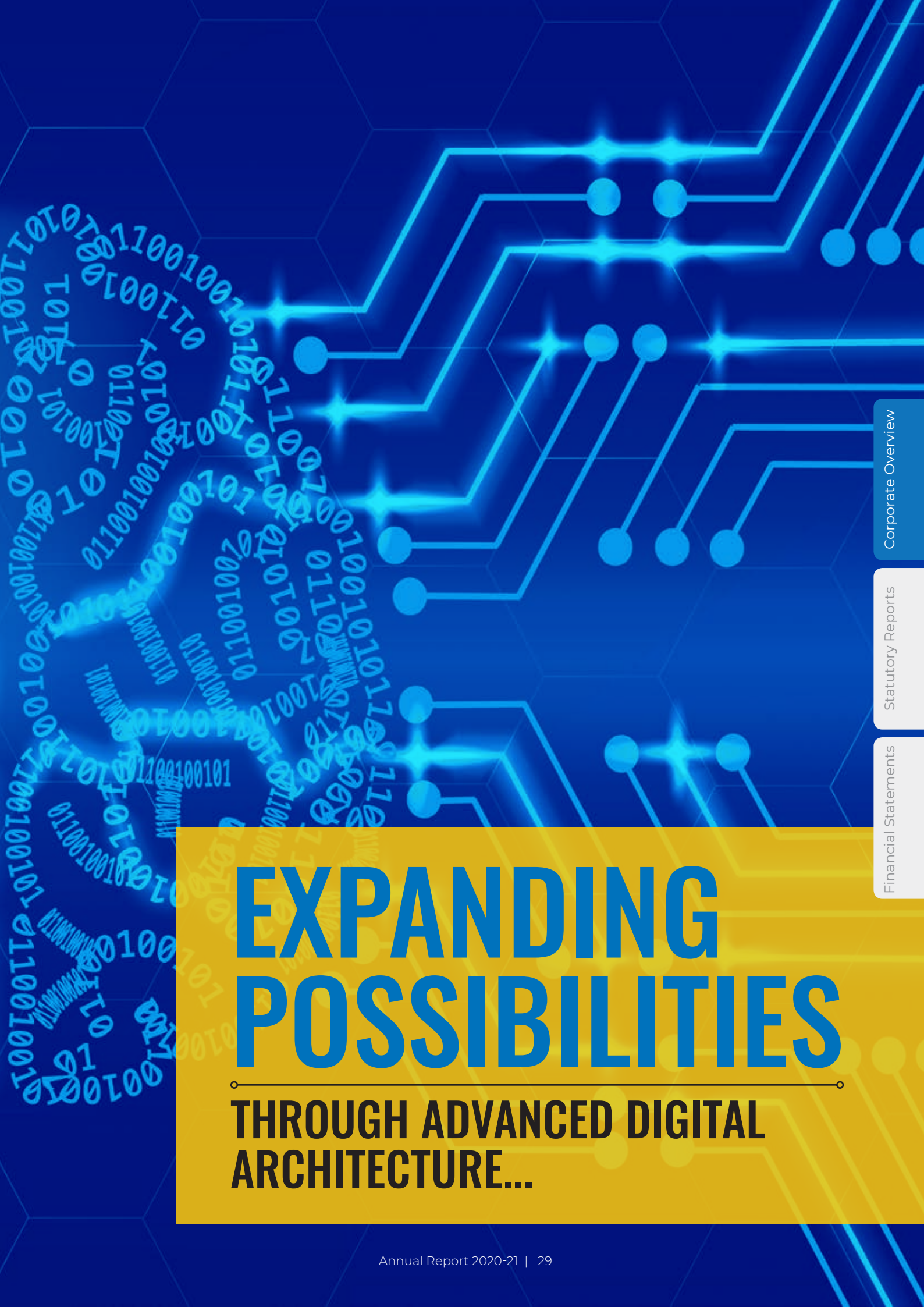
FUTURE-FOCUSED

Powered by the latest technology trends, Fintech players have transformed the digital broking space in the country. Angel Broking is at the cusp of new-age innovation in the Fintech space with concerted efforts at integrating tech and financial services for the new generation of investors. Through state-of-the-art digital platforms, the Company offers all the investment lifecycle solutions under one umbrella such as broking services (across equity, commodity, and currency), margin trading, distribution of third-party financial products such as mutual funds, insurance along with research and advisory services to its customers.

As an established digital broking company, we intend to capitalise and acquire larger market share of these opportunities. We are confident that our robust position as a digital broker will help us draw benefits from the growing market opportunities efficiently. Our experience, research capabilities, and understanding of the financial markets will actively contribute and help us leverage and expand on the possibilities.







EXPANDING POSSIBILITIES

THROUGH ADVANCED DIGITAL
ARCHITECTURE...

EXPANDING POSSIBILITIES

THROUGH ADVANCED DIGITAL ARCHITECTURE...

The world is changing with technology. Business and technology are getting as they are intricately woven into each other, offering secured and easy-to-access solutions. Under this scenario, the only factor that makes a business stand apart, is its ability to leverage on technology.

The last decade saw technology emerge as a discerning factor in the financial services sector. It has helped businesses create value for clients continuously. ABL has always been at the forefront of innovation, launching pioneering products and services to meet the changing investment needs of the new-age clients.

Five years back in 2016, we started our ambitious journey to create a seamless digital experience for our growing clientele. Today, we are leveraging on our technology-integrated services, user-friendly

mobile applications and digital trading platforms, to let our clients enjoy trading seamlessly. We are propelled by artificial intelligence and machine learning capabilities. Our initiatives have not only helped

clients enjoy smoother services but also resulted in operational and cost efficiencies for the Company.

OUR NEXT-GEN DIGITAL PLATFORMS

ANGEL BROKING MOBILE APP

- ▲ Platform for our clients' trading and investment requirements
- ▲ Helps clients effectively manage and track portfolio

ANGEL BROKING WEB

- ▲ Web-based trading platform with a simplified interface
- ▲ Clients can manage their investments, create watch lists, track stocks with technical chart indicators and make scheduled investments

ANGEL BEE MOBILE APP

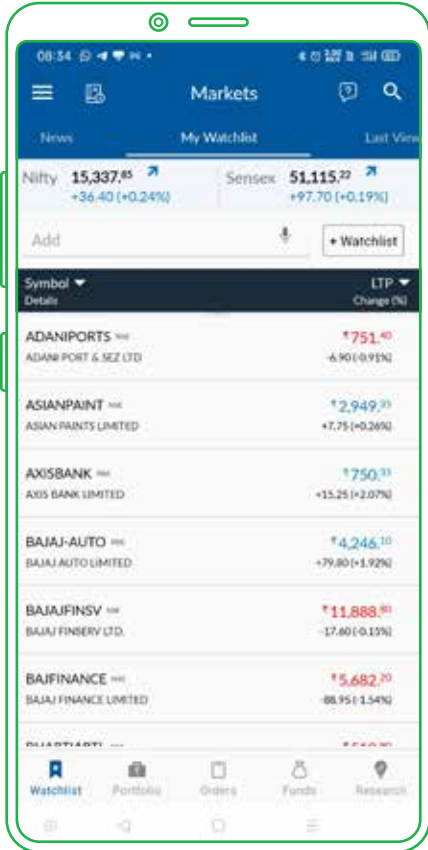
- ▲ Focused on millennial clients
- ▲ Offers instant, 'on-the-go', paperless and personalised solutions

'ARQ' ADVISORY

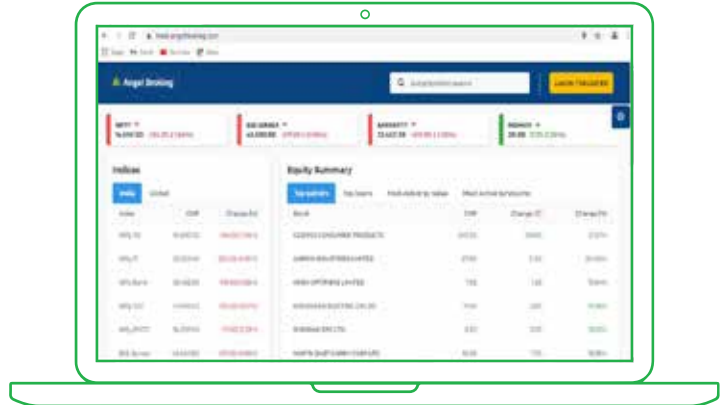
- ▲ Provides investment advisory services through various applications and our website, supplemented by 'ARQ' - a rule-based investment engine

NXT PLATFORM

- ▲ Advanced digital marketing and client relationship management tool
- ▲ Helps the Authorised Persons effectively engage and service clients through dashboards and facilitates cross-sell



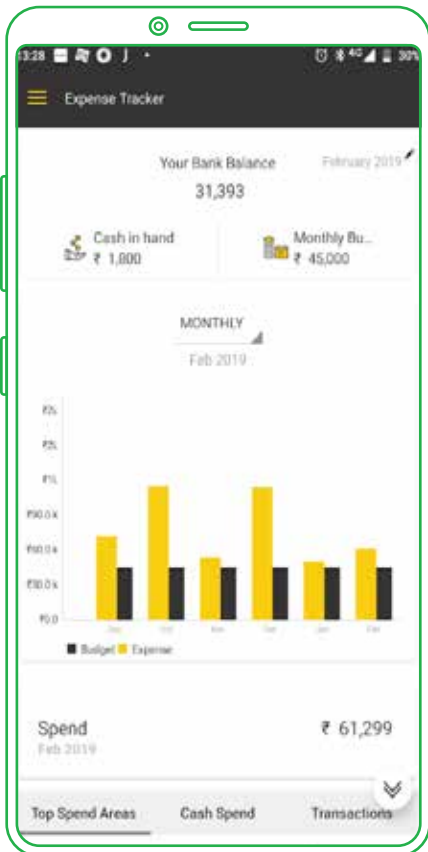
ANGEL BROKING MOBILE APP



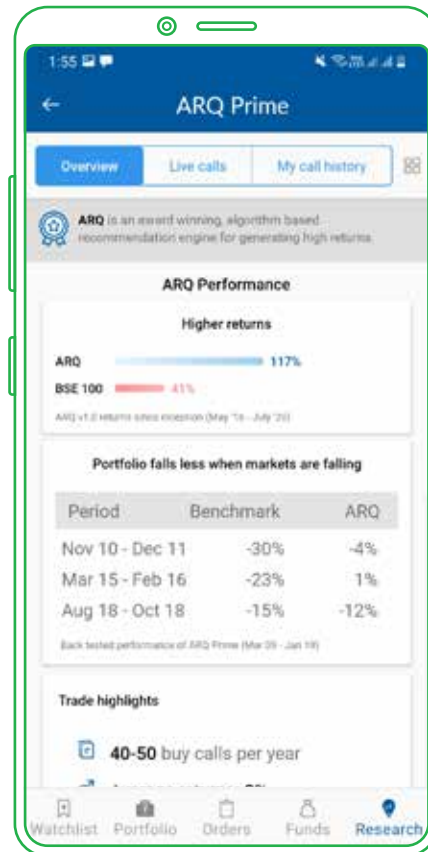
ANGEL BROKING WEB



NXT PLATFORM



ANGEL BEE MOBILE APP



'ARQ' ADVISORY

OUR EXPANDED PRODUCT BOUQUET WITH DIGITAL-EDGE



SMART API

A free-to-integrate feature that enables, users including start-ups and advisories, to execute real-time trades via Angel Broking and develop end-to-end trading services for clients



ARQ PRIME

Launched ARQ Prime which recommends stocks based on a set of rules free from human intervention, also known as 'Smart Beta'

ARQ INTRADAY

Launched ARQ Intraday for providing Intraday advisory to our clients



SMART MONEY

Comprehensive guide to financial markets with structured lessons to help clients grow their wealth



SMALLCASE

Partnered with Smallcase for providing thematic investment options to our clients with portfolios of stocks or ETFs



STREAK

Collaborated with Streak for facilitating clients with tools to create strategies, backtest, and trade



SENSIBULL

Partnered with Sensibull to enable innovative strategies in options trading



VESTED

Partnered with Vested to provide a platform to clients for investing in US equities

NEW PRODUCT OFFERING

PROJECT CODENAME: SPARK

To further revolutionise user experience, we are in the process of introducing our new feature-rich Android App codenamed Spark. Built on a design thinking approach, the App aims to empower our users with breakthrough technology & intuitive user experience. Spark, will bring a plethora of benefits to our existing and new users with strong service performance, reliability, security, seamless navigation and simplified UI.

Spark's Beta launch in early April 2021 has garnered 4.2 rating on Google Playstore and we feel ecstatic with this success in such a short time frame. In the near term, we will also be launching Spark on iOS platform to further expand our reach.

SmartStore 

Powered by  Angel Broking

SMART PLAY STORE

As automated trading is becoming popular among the Indian retail trading segment, Smart Play store will enable our clients to participate, learn and develop automated trading strategies.

Smart Play store is a collection of latest trading Fintech platforms and algo education providers. This platform focuses on creating an ecosystem of technological solutions to empower traders by enhancing their trading performance. Through this platform, our clients will get to discover the latest Fintech platforms and use their products at competitive prices, read latest Fintech blogs, attend webinars and become part of a community which will discuss and collaborate with other clients on various topics.

4th

**FASTEST-GROWING APP*
IN FINANCE CATEGORY**

75%+

**ORDERS PLACED THROUGH
MOBILE APP**

> 99%

**ORDERS EXECUTED ONLINE
BY DIRECT CLIENTS**

5 minutes

**AVERAGE TIME TAKEN TO
ONBOARD CLIENTS**



*in terms of time spent

FASTER AND SIMPLER END-TO-END DIGITAL TRADING JOURNEY

SEAMLESS CLIENT ONBOARDING IN LESS THAN 5 MINUTES

WELCOME MESSAGE

CLIENT ENGAGEMENT & RE-ENGAGEMENT BY NUDGING THEM TO:

ADD FUNDS

STOCK ADVICE

ELIGIBLE TO EARN REWARDS

ENHANCED CLIENT ENGAGEMENT THROUGH DIGITAL COMMUNICATION CHANNELS



EMAIL



SMS



APP NOTIFICATION



OTHER MESSAGING PLATFORMS

DIGITAL PROCESS AIDED BY ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING TECHNOLOGIES

**DATA SCIENCE DRIVEN
APPROACH TO
MICRO-TARGET MANY
SEGMENTS OF DIVERSE
AUDIENCE**

5+

**CHANNELS OF ENGAGEMENT
WITH CLIENTS AND HELP THEM
PUT THEIR FIRST TRADE**

150+

**CLIENT TARGET SEGMENTS
TO HELP AND SATISFY THEIR
FINANCIAL NEEDS THROUGHOUT
THE LIFETIME**

60+

**PERSONALISED OFFERS RANGING
FROM CASHBACKS, SCRATCH
CARDS AND TRADE-FREE PERIODS
AMONG OTHERS**

120+

**ADVISORY SEGMENTS BASED
ON CLIENT TYPE, CALL TYPES
AND FREQUENCY OF TRADES TO
MATCH THE RIGHT ADVISORY**

6+



**MACHINE LEARNING PREDICTIVE
AND CLASSIFICATION PROCESSES
TO CUSTOMISE PROGRAMMES FOR
CLIENTS AT THE RIGHT TIME**



STAKEHOLDERS

ENGAGEMENT THAT SPELLS COMMITMENT

At ABL, our business is largely dependent on our stakeholder relationships. It is imperative to connect with them for better understanding of their expectations and create sustainable value. We strive to build rewarding relationships with our stakeholders – clients, employees, shareholders, business partners, communities and regulators – for achieving our long-term vision aligned with our stakeholders’ interests.

STAKEHOLDERS	NEEDS AND EXPECTATIONS
 <p>CLIENTS</p>	<ul style="list-style-type: none"> ▲ Ease of transactions across channels ▲ Faster settlement of trades through digital modes ▲ Best-in-class client service ▲ Relevant information and security ▲ Competitive pricing
 <p>SHAREHOLDERS AND INVESTORS</p>	<ul style="list-style-type: none"> ▲ Strong corporate governance ▲ Information on Company's performance ▲ Transparent and timely reporting and disclosures ▲ Dividend payments
 <p>GOVERNMENT AND REGULATORY BODIES</p>	<ul style="list-style-type: none"> ▲ Compliance with laws and regulations ▲ Responsible business operations ▲ Transparent engagement with regulators and policymakers
 <p>EMPLOYEES</p>	<ul style="list-style-type: none"> ▲ Training and development ▲ Transparent communication ▲ Best practices and work-life balance ▲ Career growth opportunities ▲ Recognition and rewards ▲ Wellness and safety
 <p>COMMUNITY</p>	<ul style="list-style-type: none"> ▲ Community development ▲ Quality education and livelihood opportunities ▲ Environment conservation ▲ Infrastructure development

MODE OF ENGAGEMENT

- ▲ Notifications, Email, SMS, In-App messaging, AI chatbot and call centre
- ▲ Client satisfaction surveys and feedback
- ▲ Content on multiple social media platforms

- ▲ Quarterly financial results
- ▲ Monthly business updates
- ▲ Investor presentations
- ▲ General Meetings
- ▲ Investor meets and calls
- ▲ Press releases

- ▲ Presentations and discussions with industry bodies
- ▲ Regular meetings
- ▲ Mandatory filings with regulators
- ▲ Written communication

- ▲ Performance management system
- ▲ Town hall meetings
- ▲ One-to-one communication
- ▲ Training workshops
- ▲ Employee welfare initiatives
- ▲ Digital learning platforms
- ▲ Leadership connects

- ▲ Awareness campaigns and volunteering
- ▲ Skill development workshops
- ▲ Various CSR initiatives
- ▲ Partnership with NGOs

VALUE CREATION

- ▲ Access to the widest range of financial products and services
- ▲ Faster and safer transactions by leveraging technology
- ▲ Facilitating financial literacy

- ▲ Growth in business
- ▲ Consistent operational performance
- ▲ Growth in earnings
- ▲ Consistent dividend payout
- ▲ Wealth maximisation

- ▲ Contribution to exchequer through timely tax payments
- ▲ Maintaining compliances following ethical and sustainable business practices
- ▲ Contribute to the development and growth of the industry by providing inputs and guidance on policy formation to the regulator

- ▲ Inculcating intrapreneurship
- ▲ Skill development through training and mentoring
- ▲ Empowering people to adapt to changes
- ▲ Wealth creation
- ▲ Performance-based remuneration
- ▲ Awards & recognition
- ▲ Collaborative workplace

- ▲ Support entrepreneurial initiatives
- ▲ Empowering society with financial literacy
- ▲ Upskill people and create employment opportunities
- ▲ Enhanced quality of life

NURTURING THE BEST TALENT

At Angel Broking, we have a proficient training system backed by advanced digital platforms to keep pace with the always-changing business milieu. This creates a self-learning culture among Angelites and helps them become leaders of tomorrow.

We provide an inspiring work environment to our people, which helps them in elevating their capabilities. The continuous skill-development training brighten our prospects to offer world-class client service and achieve our performance target.

TRAINING AND DEVELOPMENT INITIATIVES

ANGEL BROKING CAPABILITY DEVELOPMENT (ABCD)

We introduced ABCD during the year, an initiative to bring sharp focus on building capabilities of our tech & product teams & offer them hyper-personalised learning journeys. This is an AI enabled systematic approach to measure, identify and develop valuable skills within the organisation to effectively establish baselines by assessing the skills employees currently have and determine which skills they need to nurture and cultivate to facilitate continued growth and ongoing success.

LXP Platform & Content

A transformed traditional learning management platform where employees get access to content from the following sources:

- ▲ Content created internally by trainers, subject matter experts, recordings of various sessions, assessments uploaded as videos, YT videos, documents, podcasts, flashcards, interactive content and from other places
- ▲ Articles from Forbes, Ernst & Young, HBR, Facebook, Google and others
- ▲ Content by integrating with platforms such as LinkedIn Learning, Pluralsight

Hyper-personalised Learning Journeys

We have launched hyper-personalised learning journeys for Technology and Product Development Team and eventually launched it for other teams as well by May 2021. Steps involved in designing the hyper-personalised learning journeys:

- ▲ Identify unique roles in various departments
- ▲ Design persona for each role comprising accountability, technical/functional skills, behavioural skills, leadership skills among others.

- ▲ Add skills from benchmark companies to skill inventory matrix for that role
- ▲ List technical/functional, leadership, mindset skills for each role, along with desired proficiency, and prioritise them after inputs from business heads
- ▲ Conduct a 360-degree skill assessment for Angelites
- ▲ Tie-up with partners, who analyse Angelites' skill gaps based on a patent AI-ML-based algorithm and accordingly assign learning journeys
- ▲ Take feedback from relevant stakeholders to improvise on the journeys
- ▲ Appreciate 'Top Learners of the Month' by awarding them certificates on our internal communication platforms

ABCD OPEN WORKSHOPS

Internal knowledge-sharing sessions conducted by Angelites irrespective of their levels. The aim is to enhance Angelites' knowledge on concepts covering skills across techno-functional, behavioural and mindsets. The sessions are conducted every weekend/fortnight. Around 20 Angelites have conducted 30 sessions covering 850 people. Participants get certificates and feedback is taken to improvise on the sessions.



CUSTOM WORKSHOP

We conducted a workshop for the senior management team to transition the way of working since Angel Broking is progressing as a Fintech company. Managers were also trained on how they could become emotionally intelligent managers.



FAILURE CLUB

A club where Angelites participate to share the learnings they gained from their failures and how they implemented their learnings and succeeded from the failures through the concept of fail fast. After sharing their experiences they are presented with a badge, which they can use it as a part of their signature.

The sessions are recorded and uploaded on Angel ilearn for Angelites to access them.



DESIGN LAB

Design-thinking workshops were conducted for Angelites twice during the year. It endeavours to promote innovation and work towards the common goal i.e. 100% client satisfaction through process changes and new products. The exercise covers stages such as empathising, defining problems, ideation, prototyping, testing. Post implementation, the product/process is launched to the end clients. A panel of Sharks evaluate the prototype.

SHARK TANK

The Design Lab groups pitch the problem statements to the Sharks, along with the prototypes they have designed. The Sharks analyse, shortlist and

sponsor the projects, post which there are fortnightly reviews between the groups and the Sharks to assess the projects' progress. The Sharks share their views and the teams align the projects.

MASTERCLASS SESSIONS

Masterclass sessions are knowledge-sharing sessions conducted by subject matter experts from the industry. These sessions are conducted once a month where experts share their success mantra, be it their personal lives or some key projects. They share a glimpse of their approach and how client satisfaction was eventually achieved.

DIGITAL GAMETHON

A platform to celebrate the sportsmanship of Angelites by bringing them together on a digital platform from more than thousands of pincodes across India. The digital gamethon features gaming industry iconic games like Call Of Duty, FIFA and also finger friendly games like Carrom, Ludo. The gamethon goes on for almost 2 weeks with multiple rounds and qualifier rounds to crown the digital gaming champ of Angel Broking.

#BREAKTHEOFFICE EVP

Our employee value proposition is as disruptive as our aspirations. We use our EVP to drive the culture of a 25-year-old startup. The true essence of BreakTheOffice can be understood by understanding the pillars of, i.e. Break Out, Breakthrough and Break Away. Break Out helps our employees to think in the direction of innovation, identifying problems that others in the industry

do not see. Break Through is step two in innovating, with a tremendous library of knowledge facilitated by ABCD, Angelites find solutions to problems that make our clients' lives easier. While with Break Away we empower our employees to move away from the traditional way of working by supporting their ideas and working as an incubation centre that fuels India's next big Fintech idea.

BEST WORKPLACE IN BFSI, INDIA

In the year 2021, we were also identified amongst Top 30 best workplaces in India in the BFSI segment. This was awarded to us by Great Place To Work, India institution after an extensive and focused research and survey done by them.

CELEBRATING EXCELLENCE

An Award night that's also the biggest annual event of Angel Broking, filled with star performances, was organised on 09 April, 2021. During this event industry's mightiest stars of the Netflix fame, performed for Angelites who joined the digital celebration from the comfort of their couch along with their families. The awardees were presented the digital awards by the CMD and CXOs on a virtual stage. This was the biggest gathering of Angelites and extended family.

ANGEL'S DOST

At Angel Broking, we prioritise the mental health of our employees. We refuse to let our team members feel stigmatised or pressured into not taking their psychological well-being seriously. And especially since the pandemic, mental health has been a concern across the

world. This is why we launched several initiatives during this period. We launched Angel's Dost, an employee assistance program (EAP), which provides employees with access to best-in-class service.

LONG & SHORT TERM INCENTIVES

We have revisited our Long Term Incentive and Short Term Incentive policies & benchmarked it against the best companies in the global Fintech industry.

HR CHAT BOT – ANGELA

As a digital organisation we leverage technology to supplement the lives of our internal customers too, our employees. We recently launched a chatbot that helped digitise many aspects of employee lifecycle making it convenient for an employee to get instant assistance while working remotely.

SLACK FOR COLLABORATION

Given the importance of collaboration, it is also critical to ensure that employees have easy and convenient ways of talking to each other and sharing what they need to share. With Work from Anywhere, it's even more important to collaborate with colleagues, stay updated and effectively communicate. At the onset of the pandemic, we were very quick to bring in collaboration tools like Slack for our employees.

COVID LEAVE

The health and wellness of everyone at Angel Broking is of utmost importance for us. We encourage all Angelites to focus on their health and take action to lead a healthy and

happy life. Further to this, we introduced an official policy that if an employee has been diagnosed with COVID-19, as per their medical report, they will be eligible for 14 days leave.

WORK FROM ANYWHERE POLICY

Angel has adopted a permanent work from anywhere policy for all its employees. This was announced earlier during the last year. This policy has opened doors for hiring across the country. We also made sure to design solutions around employees' infra needs such as device, data & furniture.

'GREAT PLACE TO WORK'

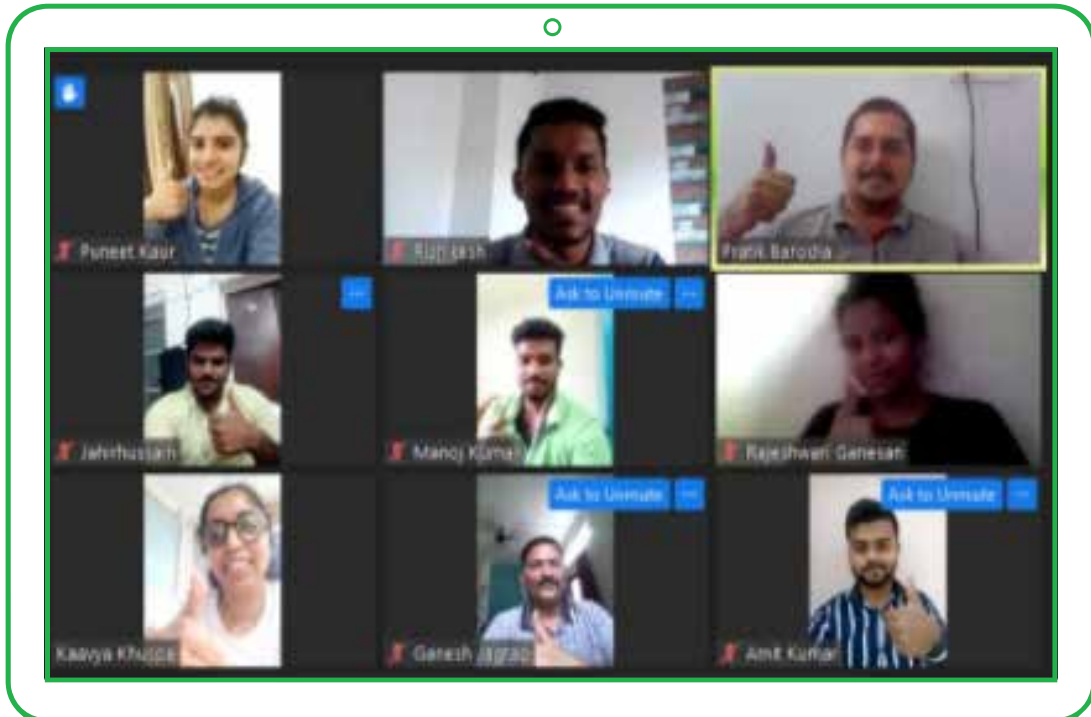
CERTIFICATION FOR FIVE CONSECUTIVE YEARS FROM 2017 TO 2021

~ **4 years**

AVERAGE TENURE OF TOP 150 EMPLOYEES

112,912 hours

TRAINING FOR ALL EMPLOYEES



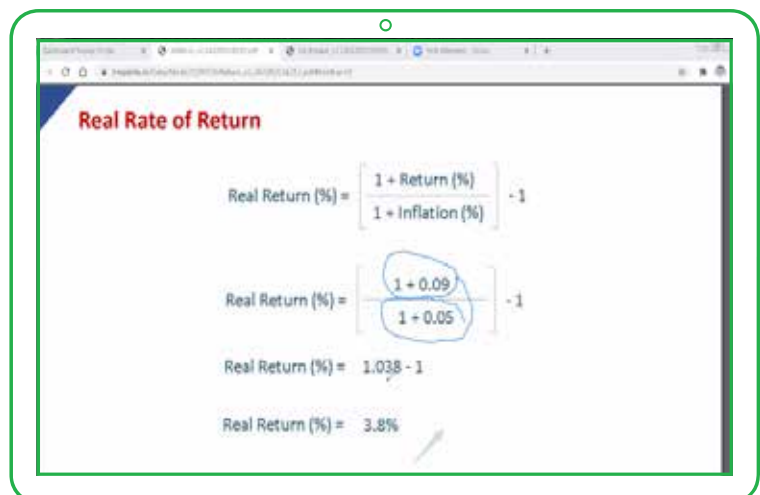
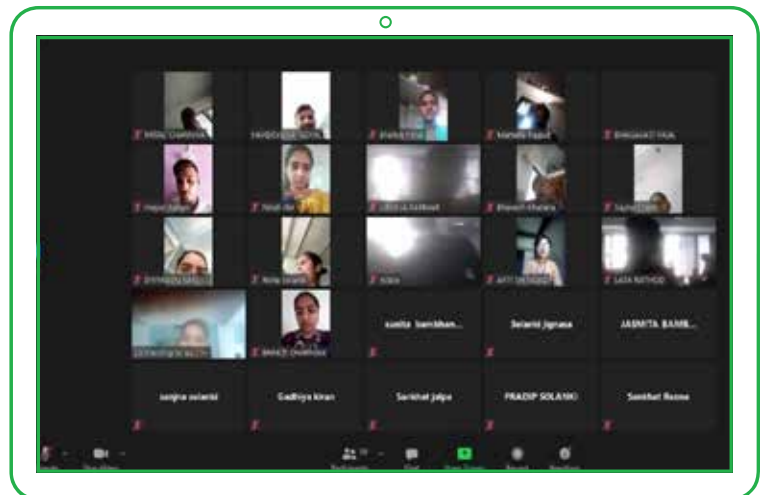
EXPANDING FINANCIAL LITERACY

RESPONSIBILITY THAT SPELLS AS LONG-TERM VALUE

Angel Broking is committed to educate and empower youth about the emerging financial services ecosystem. In alignment with global Sustainable Development Goals as well as India's Organization for Economic Co-operation and Development-National Institute for Financial Education (OECD-NIFE), Angel Broking supports financial literacy programme for youth as part of its Corporate Social Responsibility (CSR) interventions.

After the COVID-19-induced lockdowns were lifted, the economy is slowly recuperating. The pandemic has had a tremendous impact on lives of people, particularly among the young graduates, who are ready to step into a professional life. Thus, it is imperative to impart them financial knowledge and improve their ability to make sound financial choices thereby leading to a secured future.

Through our Financial Literacy Program (FLP) we create awareness and enhance financial knowledge to 10,000 college students from Tier II, III and beyond cities of Maharashtra and Gujarat. We have partnered with Collective Good Foundation (CGF), which in collaboration with Learnet Skills Limited, a joint venture with National Skill Development Corporation (NSDC), to launch a 20-hour online training programme. This will help graduates upskill competencies to manage their earnings, savings and livelihood with minimal financial stress.



EMPOWERING YOUTH FOR A SUSTAINABLE FUTURE

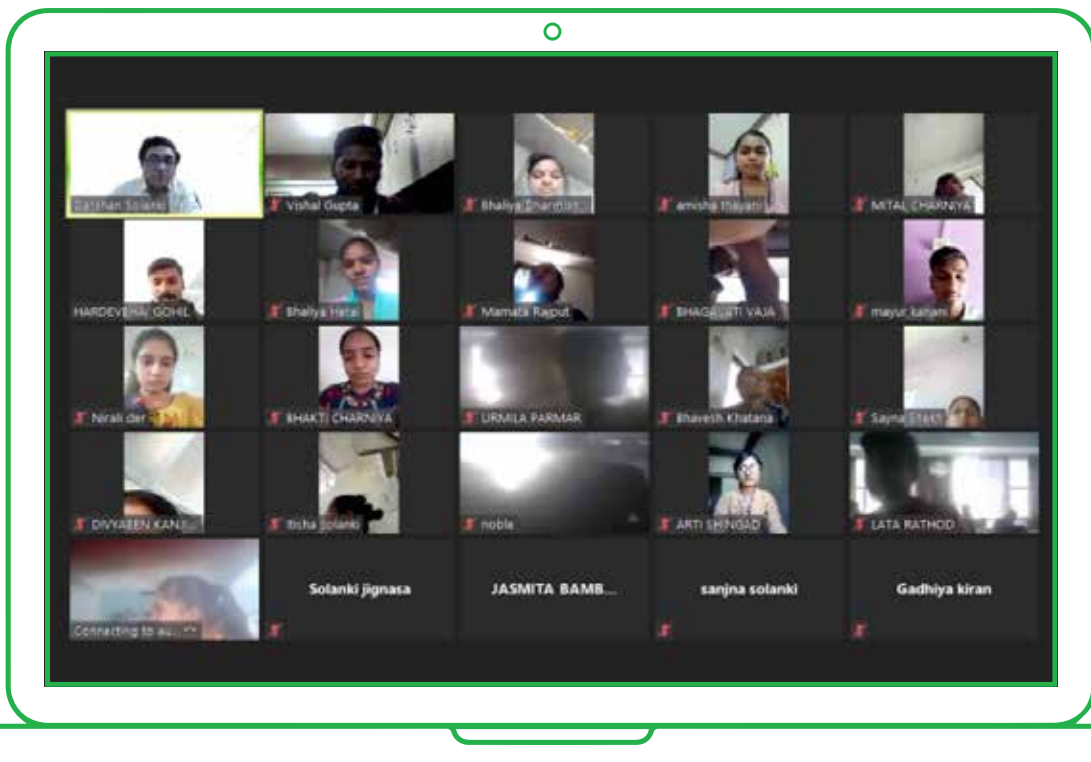
- ▲ Training of Trainers programme conducted for registered trainers to outline the content and make them familiar with the Learning Management System (LMS)
- ▲ Content comprises 12 hours of virtual training and eight hours of self-study followed by a standard assessment process and a case study for certification

- ▲ Online presentations, including videos and easy-to-download documents for students to prepare for assessments
- ▲ Technology-enabled programme leading to exponential scalability, standardisation and maximum outreach
- ▲ Online pre-assessment and post-assessment followed by a certification from NSDC, Angel Broking, Samhita & Learnet Skills

10,000
YOUTHS BENEFITTED

~ 60 %
YOUNG STUDENTS MOBILISED
IN MAHARASHTRA

~ 40 %
YOUNG STUDENTS MOBILISED
IN GUJARAT



OUR ESTEEMED BOARD OF DIRECTORS



MR. DINESH D. THAKKAR

Chairman and
Managing Director

- ▲ Over three decades' profound knowledge of changing technology trends and Indian stock market
- ▲ Steered Angel Broking to become one of the largest retail-focused independent full-service broking business
- ▲ Guided the Company from a tech-led physical player to a completely digital business
- ▲ Pioneered one-of-its-kind and first for the Indian investors, Robo advisory engine ARQ
- ▲ Led the proliferation of digital-first broking services through his vision
- ▲ Under Mr. Thakkar, Angel Broking has been recognised as:
 - Best Technology House of the Year 2016 Award by ASSOCHAM
 - Digital First Organisation of the Year 2019 in India Award by Tefla
 - Among the Top 100 Franchises in India by Franchise India



MR. VINAY AGRAWAL

Whole-time Director and
Chief Executive Officer
(up to 17 April, 2021)

- ▲ A Chartered Accountant by qualification had over 22 years of experience in the broking industry, of which 20+yrs were at Angel Broking
- ▲ He handled multiple portfolios of finance, operations, business & product development and e-broking
- ▲ He spearheaded digital transformation and various growth initiatives of Angel Broking



MR. KETAN SHAH

Whole-time Director
(w.e.f. 05 May, 2021)

- ▲ Mr. Shah is an industry veteran with in depth understanding about business, technology and operations in the financial services sector
- ▲ Over his 25 years' experience in the broking industry, he has focused on using technology to enhance operating efficiency to build a profitable and sustainable model through Digital Customer Engagement
- ▲ He has vast experience across strategy, information security, project management, Channel Development
- ▲ He strongly believes in using data analytics for developing customer-centric innovations to drive revenues, improve customer engagement and service quality



MR. UDAY SANKAR ROY

Independent Director

- ▲ Postgraduate in physics with nearly four decades of experience in operational and executive assignments across several states and in State Bank of India's London office.
- ▲ His Board-level experience spans commercial banking, insurance, financial technologies, cross-border payment, collection systems and corporate management
- ▲ Headed the bank's infotech team which designed and implemented the Core Banking System (CBS) across the State Bank Group
- ▲ Served as the Managing Director and CEO of SBI Life Insurance Company Limited
- ▲ Superannuated as Deputy Managing Director of the State Bank of India



MR. KAMALJI SAHAY

Independent Director

- ▲ A veteran in Life Insurance industry with over 40 years of experience
- ▲ Former MD and CEO of Star Union Dai-ichi Life Insurance Co. Limited, former Executive Director of Life Insurance Corporation of India and Consultant with General Insurance Corporation of India, Mumbai from 2013 to 2015
- ▲ GM of LIC (Nepal) Limited, former Director on the boards of UP Housing Finance Coop. Federation, Punjab Tractors Limited, India First Life Insurance Co. Limited, CAMS Insurance Repository Services Limited and India Leadership Foundation
- ▲ Former partner at Businessminds LLP; consultant and mentor at Sanima Life Insurance, Nepal; adjunct faculty at IIM-Lucknow, IIM-Bangalore, National Insurance Academy, Pune and Integral University, Lucknow
- ▲ Been the programme director of EEP, IIM-Bangalore and contributor to the column Embedded Value of the Financial Express since 2012



MS. ANISHA MOTWANI

Independent Director

- ▲ An MBA from Sophiya College with experience of over 30 years in FMCG, automobiles, financial and health services industries
- ▲ After a successful 25-year corporate career, founded StormTheNorm ventures in 2015 – a company specialising in consumer, digital and innovation projects
- ▲ Former adviser with the World Bank on the prestigious Swachh Bharat Programme, Adoption of Solar Rooftops and National Mission for Clean Ganga
- ▲ Serves as an Independent Director on the Board of Abbott India, L&T Investments, Welspun India Limited, Star Health Insurance, Prataap Snacks Limited, Dvara KGFS, Somany Home Innovations Limited
- ▲ Has given strategic advice to a range of clients across industries, been Member of several industry bodies and a regular speaker at national and global business platforms
- ▲ Ms. Motwani has been conferred as:
 - One of the '50 Most Powerful Women in Indian Business' by Business Today for three consecutive years since 2009
 - One of the 'Top 50 Women in Media, Marketing and Advertising' by Impact & Colors
 - Women at Work Leadership Award 2011 by Asian Confederation of Business and Brand Builder of the Year Award by NDTV

MARKETING INITIATIVES

FY 2020-21 pandemic-induced disruption opened a new chapter in our Marketing PlayBook.

We realised the big gains in tapping into huge flow of customers in the funnel, particularly around organic assets, with high intent. As unprecedented effects of the global pandemic swept the marketplace, we anchored ourselves around the 4 core pillars of -

CREATING DIFFERENTIATED BRAND EQUITY,

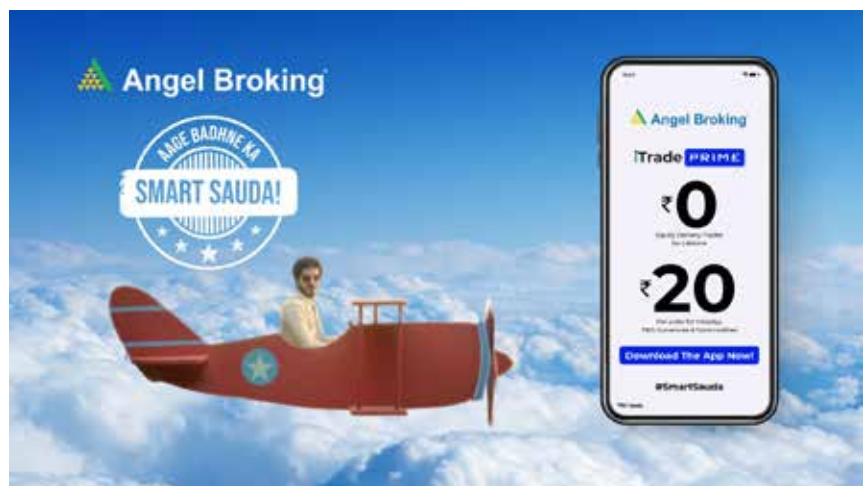
BUILDING BUSINESS THOUGHT LEADERSHIP,

SUPERIOR CUSTOMER EXPERIENCE

and incorporating a **MILLENNIAL FIRST FOCUS.**

With audiences rapidly adopting digital platforms for information, entertainment and support, we scaled our Digital and Mobile-first Strategy. In FY 2020-21, we reinforced our proposition of offering the 'Smart Sauda' for millennial investors, residing in Tier II, III and beyond cities with an integrated campaign across Digital, Social Media, TV, OTT and Short Video platforms. The integrated marketing campaign promoting the Angel

Broking IPO was instrumental in building positive brand buzz and creating favourable perception as a professional growth-oriented organisation. The IPO campaign went live across TV, Print (including regional publications) and Digital. We ensured an "Always-On" strategy and ran sustained monthly campaigns which helped us stay top-of-the-mind of our target audience.



To live up to our ethos of being a digitally driven brand, we partnered with key publishers for some industry first campaigns. We were the 1st in category to release a YouTube Search Campaign and create Vernacular content to drive better engagement. We elevated our presence on social media by being the 1st in Category to leverage Instagram Reels, a short-video sharing feature that helped surge engagement.

To tap right into the massive potential unleashed by our re-calibrated marketing approach, we implemented a series of technical innovations to help further improve performance. We undertook Google 360 tools integration for domain and subdomains, in a first for any BFSI and were also the first in leveraging analytics with Data Visualisation tools. We implemented Firebase Analytical Tool to help us learn how our users are engaging with our application.



Our re-oriented App marketing strategy saw a surge in number of the leads and elevated customer acquisition. Key programmatic channel partnerships further improved App visibility across platforms. Our re-marketing efforts helped us minimise lead pilferage, resulting in 115 Percent growth in lead generation and 227 Percent growth in client acquisition.

THE CONTENT STRATEGY

Objectives

a. Consumer Education:

We want to help our readers become better traders and investors

b. Long-Term Relationship:

We want to cultivate a long-term relationship with readers - not a purely transactional relationship

c. Organic Traffic:

Build a content base that can attract long-term organic traffic instead of relying on paid promotion

APPROACH

We adopted a strategic content marketing approach leveraging a content cloud of words, graphics and language. We churn the cloud through a 'format' wheel. After that, we run

the format through a 'platform' filter - thereby nailing the channels we'd use.

Finally, we break down the content-format-channel trifecta into 3 focus areas - hygiene, hub and hero. This ties into our business objectives to give us budgeting and timelines.

- ▲ Awareness via entertaining and attention grabbing 'sachet' videos
- ▲ Interest via conversational podcasts with a 'radio' host style
- ▲ Blogs that simplify technical concepts and add genuine value
- ▲ Tailor-made content for our audience

In FY 2021-22, we have set our sights to transform our brand and build deeper relevance and affinity with new age Generation Z and millennial Indian investors. Our ambition is to position Angel Broking as the most revered brand, Digital first, Fintech player and present ourselves in a contemporary, dynamic, tech avatar. With the synergy of technology and analytics, like MIS automation and AI / ML models, we aim to improve data intelligence and reporting to create a more efficient method to derive enhanced results from our marketing efforts.



We are one of the largest retail broking houses in India in terms of active clients on NSE as on June 30, 2020 (Source: CDSL Report). Our digital platforms and vast network of Authorised Persons enables wide reach among retail clients in India. We offer a seamless digital experience to manage over 2.15 million operational broking accounts as on June 30, 2020. Our marketing initiatives are driven by artificial intelligence while our online platforms provide our clients with the ability to manage their wealth and investments efficiently.



AWARDS

RECOGNITIONS THAT SPELL BRILLIANCE



1



2



3

1

AWARDED FOR FINANCIAL CONTENT

Awarded for Financial Content of the Decade - Consumer Education Initiative by InksPELL at The Decade Awards 2020

2

AWARDED FOR CUSTOMER SERVICE

Bagged Gold Award in Customer Service Effectiveness at the 9th Global Customer Engagement Awards 2020 by ACEF for ORM

3

AWARDED FOR THE SUCCESSFUL USE OF TECHNOLOGY FOR SMART SAUDA CAMPAIGN

Bagged Gold Award in Data Driven Marketing for Successful use of Technology for Smart Sauda Campaign at the 9th Global Customer Engagement Awards 2020 by ACEF

7

AWARDED FOR THE BEST FINTECH MARKETING CAMPAIGN

Gold Trophy for the Best Fintech Marketing Campaign (PR Category) at the IPRCCA



4

AWARDED FOR BEST CONTENT IN SEARCH MARKETING CAMPAIGN FOR ANGEL ACADEMY

Awarded by Indian Content Leadership as Best Content in a Search Marketing Campaign for Angel Academy by Inkspell

5

AWARDED FOR USE OF VIDEO (BFSI) FOR SMART SAUDA CAMPAIGN

Awarded as 'Mobile Advertising Excellence in Use of Video (BFSI)' for Smart Sauda Campaign at MOBEXX Awards by Adgully

6

AWARDED FOR THE BEST CUSTOMER EDUCATION INITIATIVE

Awarded for 'Best Customer Education Initiative in the Equity Broking Sector' at Resulticks BFSI Digital Stallions Awards

8

AWARDED FOR THE OUTSTANDING CONTRIBUTION IN THE RETAIL SEGMENT

Awarded by NCDEX as Outstanding Contribution - Retail Segment at Krishi Awards

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. DINESH D. THAKKAR

Chairman & Managing Director

MR. VINAY AGRAWAL

Whole-time Director
(up to 17 April, 2021)

MR. KETAN SHAH

Whole-time Director
(w.e.f. 05 May, 2021)

MR. UDAY SANKAR ROY

Non-Executive Independent Director

MR. KAMALJI SAHAY

Non-Executive Independent Director

MS. ANISHA MOTWANI

Non-Executive Independent Director

MANAGEMENT

MR. VINAY AGRAWAL

Chief Executive Officer
(up to 17 April, 2021)

MR. NARAYAN GANGADHAR

Chief Executive Officer
(w.e.f. 26 April, 2021)

MR. VINEET AGRAWAL

Chief Financial Officer

MR. KETAN SHAH

Chief Strategy Officer

MR. PRABHAKAR TIWARI

Chief Growth Officer

MR. ANKIT RASTOGI

Chief Product Officer

MR. NILESH GOKRAL

Chief Operations Officer

MR. SUBHASH MENON

Chief Human Resources Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

MS. NAHEED PATEL

STATUTORY AUDITORS

M/S. S. R. BATLIBOI & CO. LLP

Chartered Accountants

SECRETARIAL AUDITOR

M/S. MMJB & ASSOCIATES LLP

Practising Company Secretaries

BANKERS

ICICI BANK LIMITED

KOTAK MAHINDRA BANK LIMITED

IDFC BANK LIMITED

STATE BANK OF INDIA

BANK OF INDIA

HDFC BANK LIMITED

DCB BANK LIMITED

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, L.B.S. Marg,
Vikhroli West,
Mumbai - 400083.

REGISTERED OFFICE

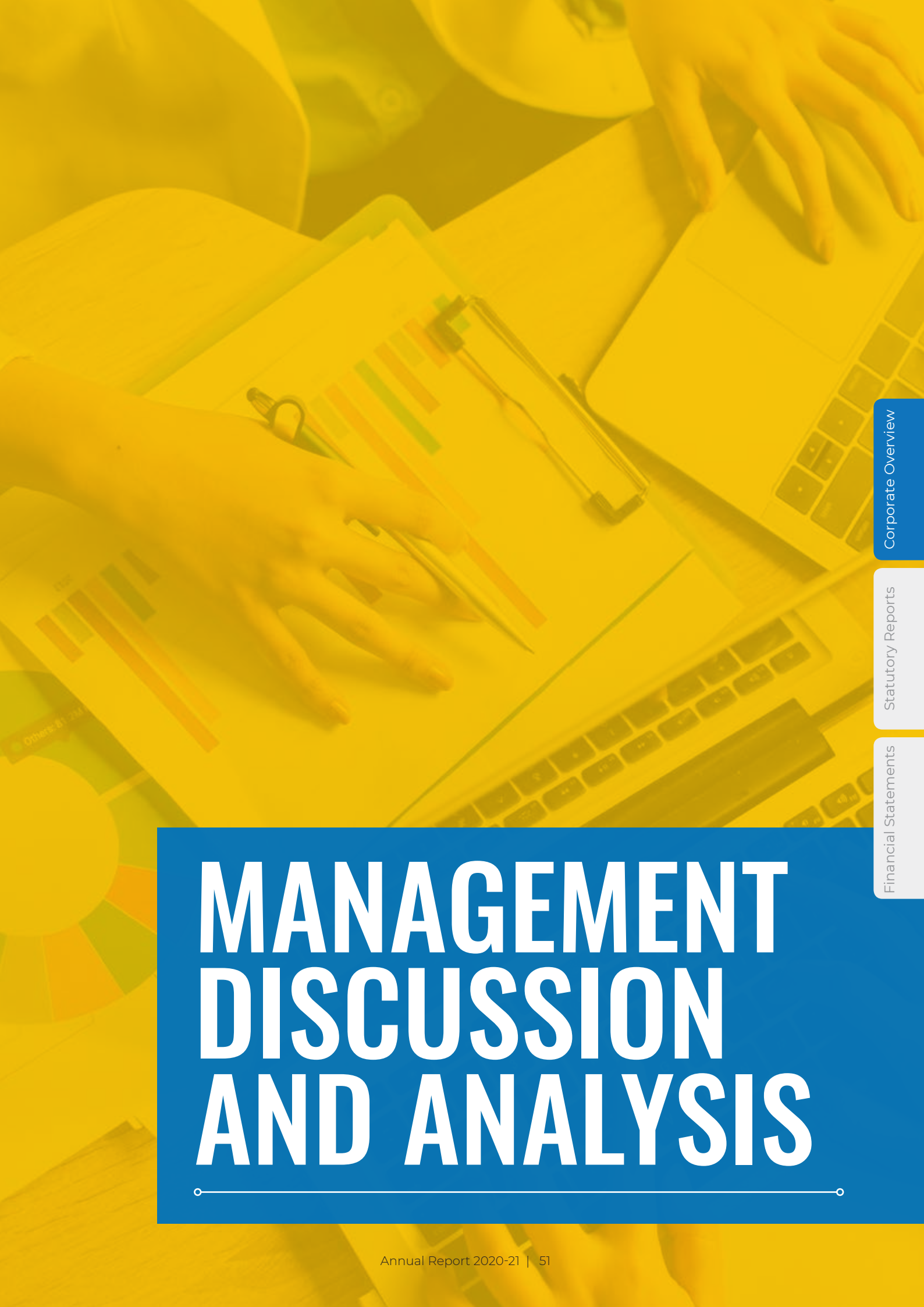
G-1, Ground Floor, Akruti Trade Centre,
Road No.-7, MIDC, Andheri East,
Mumbai - 400 093.

CORPORATE OFFICE

6th Floor, Akruti Star,
Central Road, MIDC, Andheri East,
Mumbai - 400 093.

CORPORATE IDENTIFICATION NUMBER (CIN)

L67120MH1996PLC101709



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS



GLOBAL ECONOMY

Global economies witnessed a healthy 2.8% CAGR over 2015-2019 in the pre-pandemic period led by China, United States and India primarily. The world is becoming more and more responsible towards achieving sustainable growth, with technology playing a pivotal role.

The year 2020 started on a very challenging note, as the rapid spread of Covid-19 risked overwhelming healthcare in various countries and required implementation of strict social distancing measures. However, such measures brought the world to a virtual standstill and hurt the global economy substantially. In order to contain the fallout from

the Covid pandemic, Central banks and Governments announced monetary and fiscal measures bigger than the ones announced during the peak of the global financial crisis.

Due to the counter recessionary measures announced by central banks and Governments globally, growth contraction in the USA (-3.5 Percent), Eurozone (-6.6 Percent) and moderate growth in China (2.3 Percent), was far better than that forecasted earlier. After the initial shock, research and pharmaceutical companies backed by Governments got into the act of developing vaccines on an unprecedented level. Russia was amongst the first countries to introduce a vaccine followed by many other countries including USA, China, UK and India. Parallely,

significant investments were made to increase vaccine manufacturing capacity, led by India. Today there are more than 200 vaccines under trials and almost 1.8 billion people globally have been vaccinated by either their first or dual dose.

The IMF in its latest World Economic Outlook in April 2021 has upgraded their global GDP growth projections to 6.0 Percent and 4.4 Percent for 2021 and 2022 respectively as compared to their earlier forecast of 5.5 Percent and 4.2 Percent in January 2021. The upwards revision in GDP growth estimates is a result of additional fiscal support in a few large economies and expectations of a vaccine-powered normalisation in the second half of 2021.

GROWTH PROJECTIONS

(Real GDP, annual percentage change)

	2020
WORLD OUTPUT	-3.3
ADVANCED ECONOMIES	-4.7
UNITED STATES	-3.5
EURO AREA	-6.6
GERMANY	-4.9
FRANCE	-8.2
ITALY	-8.9
SPAIN	-11.0
JAPAN	-4.8
UNITED KINGDOM	-9.9
CANADA	-5.4
OTHER ADVANCED ECONOMIES	-2.1
EMERGING MARKET AND DEVELOPMENT ECONOMIES	-2.2
EMERGING AND DEVELOPING ASIA	-1.0
CHINA	-2.3
INDIA	-8.0

PROJECTIONS

	2021	2022
WORLD OUTPUT	6.0	4.4
ADVANCED ECONOMIES	5.1	3.6
UNITED STATES	6.4	3.5
EURO AREA	4.4	3.8
GERMANY	3.6	3.4
FRANCE	5.8	4.2
ITALY	4.2	3.6
SPAIN	6.4	4.7
JAPAN	3.3	2.5
UNITED KINGDOM	5.3	5.1
CANADA	5.0	4.7
OTHER ADVANCED ECONOMIES	4.4	3.4
EMERGING MARKET AND DEVELOPMENT ECONOMIES	6.7	5.0
EMERGING AND DEVELOPING ASIA	8.6	6.0
CHINA	8.4	5.6
INDIA	12.5	6.9

Source: World Economic Outlook, April 2021

INDIAN ECONOMY

Over 2015–20, there have been structural changes in the economy with inflation rate largely remaining in the RBI's comfort zone of 2-6 Percent which resulted in decline in interest rates. The Indian economy was on course to become the third largest economy globally by 2030.

However, the onset of the pandemic in Q4 FY 2019-20 resulted in the Government announcing the first ever national lockdown lasting more than eight weeks. The ensuing disruption led to a record GDP contraction of 24.4 Percent Q1 FY 2020-21. However, this lockdown helped contain the spread of the virus and aided the economy return to its growth path by Q3 FY 2020-21.

The Reserve Bank of India (RBI) intervened by providing monetary stimulus through its various liquidity programmes, slashing interest rates, and allowing loan moratorium facilities, among others. The Government initiated several measures to minimise the impact of the pandemic, protect the lives of the country's citizens and revive the economy. The Government also announced

a comprehensive COVID relief package of ₹ 20 trillion in May 2020 as a part of *Atmanirbhar Bharat Abhiyaan* which included a mix of cash spending, liquidity support to agriculture, MSMEs and other critical sectors, along with various structural reforms across sectors.

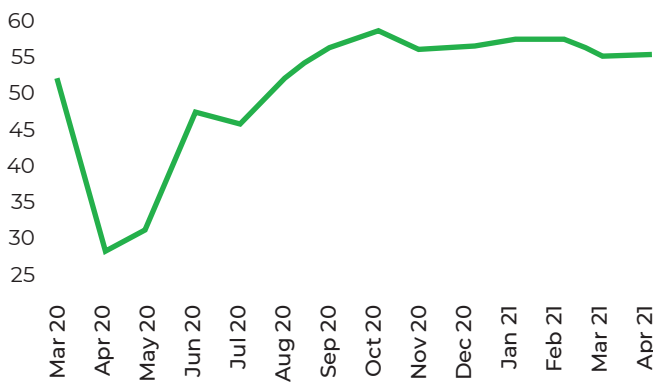
The gradual opening of economy post June, with targeted and restrictive lockdowns, led to gradual recovery in the following months, driven initially by pent up demand. Improvement in the Covid situation from September allowed the Government to open up significant portion of the

economy in Q3 FY 2020-21 which along with festive demand provided further impetus to the economy. In order to support the recovery the Government also announced more stimulus measures of ₹ 2.65 trillion under *Atmanirbhar Bharat 2.0* and 3.0 which included additional support for agriculture and housing sector among others. In order to incentivise localisation, a Production Linked Incentive (PLI) scheme covering 10 sectors was launched with an outlay of ₹ 1.46 trillion under the *Atmanirbhar Bharat 3.0* package. The PLI scheme was later expanded to cover 13 sectors with an outlay of ₹ 2 trillion in the Union Budget 2021-22.

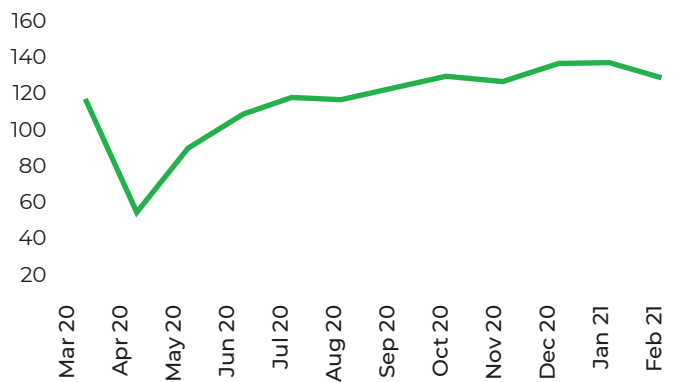
High frequency indicators like PMI, IIP, CPI and GST collection, continued to point to a strong recovery in the second half of FY 2020-21. GST collection have witnessed strong growth since October 2020 with collections in H2 FY 2020-21 being higher than average of FY 2019-20, and touching a new high of ₹ 1.24 trillion in March 2021. Though CPI inflation remained above the RBI's comfort zone of 6.0 Percent in the first half of the year, it eased off in the second half and fell to 4.1 Percent in January 2021, before rising marginally to 5.5 Percent in March 2021

(Source: RBI).

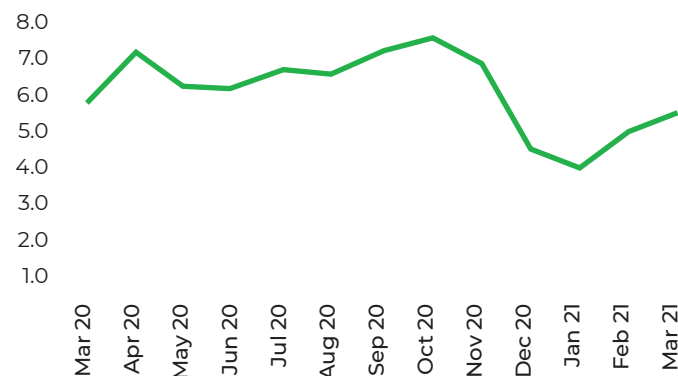
INDIA PMI - MANUFACTURING



INDIA IIP

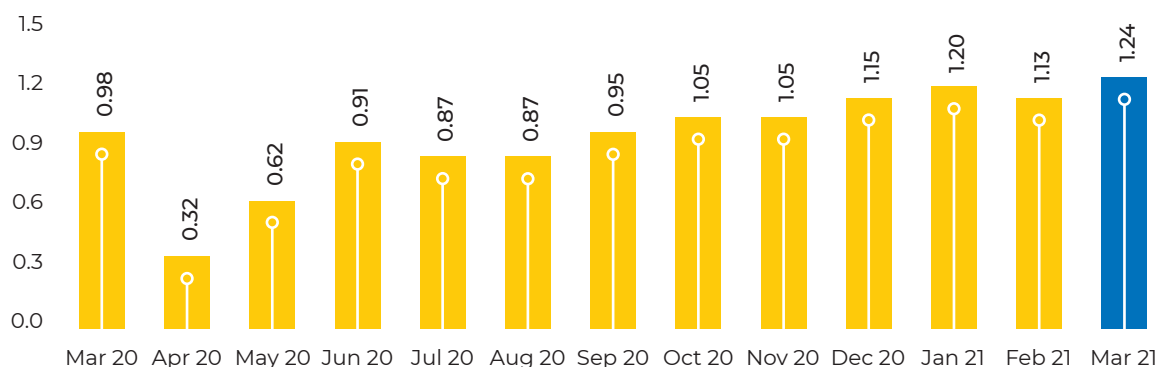


CPI INFLATION (%)



GST COLLECTIONS

(₹ Trn)



The economy recovered strongly from a contraction of 24.4 Percent in June 2020 and registered a positive growth of 1.6 Percent in March 2021 (Source: MOSPI). Indian equities too recovered quickly from the pandemic lows and continued to rally through the year in line with global markets. Foreign Institutional Investors (FIIs) continued to remain bullish on the Indian markets with investments of over ₹ 2.75 trillion (\$37 billion) in fiscal 2020-21, highest in the last two decades, as per data from National Securities Depository Limited.

The Union Budget 2021-22 reflected the Government's commitment to push India towards a higher growth trajectory. The Government presented a bold budget which focused on reviving growth through deficit spending. Despite the slippage in fiscal deficit targets for FY 2020-21 and FY 2021-22, the Government increased allocation to capital expenditure. Capital expenditure for FY 2021-22 is budgeted to grow at 26.2 Percent on top of a 30.8 Percent growth in FY 2020-21 which

should help revive growth given its high-multiplier effect. The Government is targeting a significant increase in asset monetisation in FY 2021-22 to ₹ 1.75 trillion from ₹ 320 billion in FY 2020-21, which will not only help the Government to fund its aggressive spending plans but also encourage newer players to enter the market.

At the onset of new financial year, the country is witnessing second wave of the pandemic with new restrictions. However with most states imposing targeted and selective lockdowns it is expected that the worst of the second Covid wave will be behind us very soon with the situation normalising by the second quarter of FY 2021-22. Moreover, India is currently in the middle of the world's largest vaccination drive which should help control the spread of the virus in the medium term. Given that the degree of disruption has been lesser this time around most economists and rating agencies expect India to grow at 9-11 Percent in FY 2021-22 despite the adverse impact of the second Covid wave.

GLOBAL CAPITAL MARKET

Though global equity markets witnessed a significant fall in the initial months of 2020, they recovered quickly with the S&P 500 hitting an all-time high by August 2020. The swift recovery can be attributed to the synchronised efforts of Governments and central banks globally. While Governments announced trillions of dollars in fiscal stimulus central banks responded by providing record fiscal stimulus and slashing interest rates to near zero levels. A favourable outcome of the US Presidential election in November 2020 and commencement of mass vaccination in developed economies in early 2021, drove equity inflows into Asian markets to record highs.

Among the advanced economies (AEs), US equity markets continued to scale new highs in the second half of the financial year despite some volatility in early 2021, due to a surge in US 10-year bond yields. The S&P 500 and Dow Jones Industrial Average indices closed FY 2020-21 with gains of

53.7 Percent and 50.5 Percent respectively. European markets too witnessed strong rally in the second half of the year with the DAX scaling new all-time highs by March 2021 while the CAC too was also trading near its all-time highs. The DAX and the CAC also closed FY 2020-21 with strong

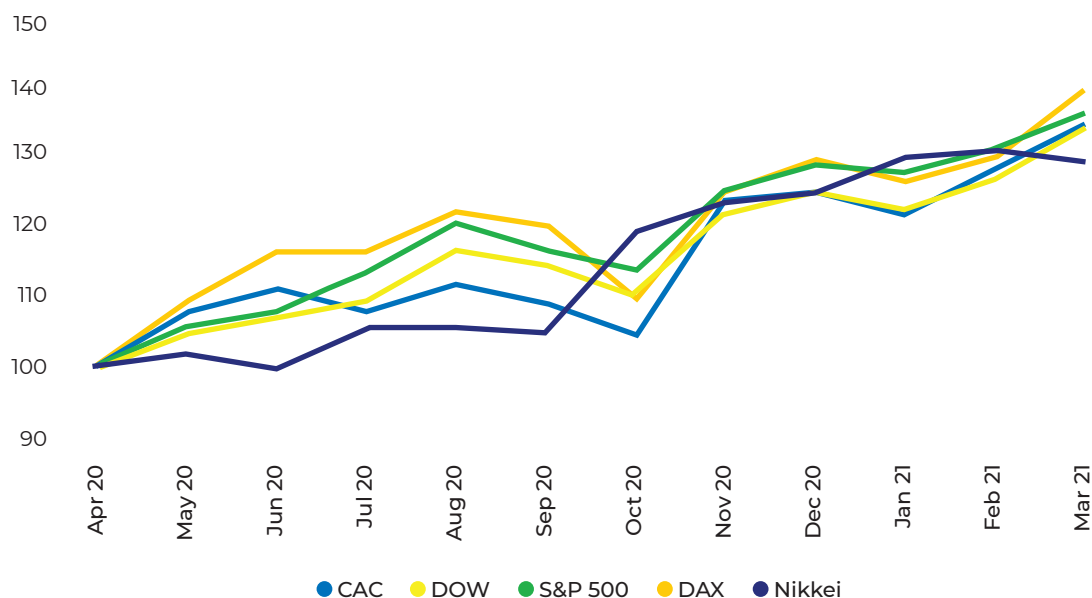
gains of 51.1 Percent and 38.0 Percent respectively.

The Nikkei crossed 30,000 in February 2021 for the first time since 1990 and surged by 54.3 Percent during 2020-21. Stock markets in emerging market economies (EMEs) continued to rally through end of 2020 and

early 2021, mirroring those in the US and other AEs and supported by burgeoning foreign portfolio flows. In 2020-21 as a whole, MSCI World Index moved up by 51.8 Percent during 2020-21.

(Source: Market Pulse, NSE, RBI Bulletin April 2021).

COMPARATIVE GLOBAL INDICES



INDIAN CAPITAL MARKET

The Indian capital market also witnessed a phenomenal rebound in the current fiscal, factoring in quick resumption of economic activity and future growth prospects. Like its global peers, India too witnessed a strong rebound from the pandemic lows with the key indices reaching an all-time high by the fourth quarter on the back of continued and strong recovery in economic activities in the second half of FY 2020-21 and record FPI flows. India's market

capitalisation to GDP ratio now stands at approximately 105 Percent for the first time in a decade in March 2021 up from approximately 56 Percent in March 2020.

The rally in Indian equities was driven by record FPI flows during the year which more than offset the outflows by domestic institutions. Net Foreign Portfolio Investors (FPIs) buying in Indian equities stood at a record high of US\$ 37.1 billion in FY 2020-21, which was ~14 times higher than that of US\$ 2.6 billion in FY 2019-20. Unlike FPIs, Domestic Institutional Investors (DIIs)

were sellers of Indian equities in FY 2020-21. After a significant rise in FY 2019-20, DIIs net investment remained muted over the first half of FY 2020-21, followed by a continuous rise in net sales to end the fiscal year at an all-time low of ₹ 1.4 trillion net investment. This was due to continued redemption pressure on Equity Mutual Funds. (Source: Market Pulse, NSE). Fund mobilisation via the primary market route was the highest ever in FY 2020-21. Funds raised through Initial Public Offerings (IPOs), Follow-on Public Offerings (FPOs) and Offer for Sale (OFS) stood at a

record ₹ 747.1 billion in FY 2020-21 as compared to ₹ 376.8 billion raised in FY 2019-20.

The exchange turnover remained subdued in the beginning of FY 2020-21 amid weak global and domestic cues, coupled with increasing COVID-19 concerns. Turnover was further impacted after the Securities and Exchange Board of India (SEBI) revised market-wide position limit in March 2020, in a bid to reduce market risks. Thereafter, there has been a steady increase in exchange turnover. Market traction has been supported by strong FPI investment inflows, optimism related to a recovery after the graded reopening of the economy, and steadily rising retail investor momentum. This was supported by the periodic interventions both by the Central Government and the RBI to support revival of the economy. Investors applauded the Union Budget 2021-22 that reflected the Government's intent of prioritising growth and bringing about transparency in finances. In addition better than expected corporate earnings also kept investor sentiments buoyant. Technology led brokerages with a strong presence in digital domain witnessed a sharp increase in their market share during the period.

During FY 2020-21, NSE's Cash segment turnover recorded a robust growth over the months largely led by surplus liquidity, thanks to policy easing measures adopted by global Central banks. It recorded 71.1 Percent increase in Cash market turnover in FY 2020-21 as compared to the previous year. Retail cash segment's ADTO* increased by 74.2 Percent YoY to ₹ 371.2 billion in FY 2020-21 as compared to ₹ 213.1 billion in FY

2019-20. While, retail F&O ADTO grew by 75.2% Percent to ₹ 11.6 trillion in FY 2020-21 against ₹ 6.6 trillion in FY 2019-20. Retail commodity ADTO de-grew by 3.5 Percent to ₹ 213.0 billion in FY 2020-21 against ₹ 220.7 billion in FY 2019-20.

Investors witnessed Nifty 50 swing from lows of 7,511 in March 2020 to an all-time high of 15,431 in less than a year. The Nifty surged by 70.9 Percent as on 31 March, 2021, the best since FY 2009-10, while the Sensex gained 68.0 Percent - highest in a decade. The aggregate revenue for Indian broking industry grew by 8 Percent to ~₹ 210 billion in FY 2019-20 as against the previous year. The industry is expected to hit ₹ 275 - 285 billion in aggregate revenues during FY 2020-21, growing at 30-35 Percent (Source: ICRA). This is in stark contrast to 7.3 Percent decline of India's GDP during FY 2020-21, as per the latest Government data.

*Includes both NSE and BSE ADTO

BROKING INDUSTRY TRENDS

With rapid shift in clients' behaviour towards consuming services digitally, there has been a surge in digital mode of making investments. The new breed of investors entering the stock market are tech-savvy and seeks quality user interface and user experience. The industry witnessed advent of digital brokers, who gained significant market share by leveraging their digital-first approach and creating a rich user experience. Global Capital Markets experienced a revolution driven by technology and radical change in market structure, which was led by younger and tech savvy clients. Addressing

this rising need for financial security from these newer set of clients, facilitated the emergence of digital broking firms, who offered their services at competitive fees. Developed economies such as US, witnessed emerging trend of flat fee plan across the industry in early 2019, after introducing zero commissions on individual stocks and ETFs. This led to many players in the broking business to move to zero trading commissions. Incumbents also streamlined processes with the help of emerging technologies such as artificial intelligence, machine learning and blockchain, among others.

India too experienced similar shift in the broking industry with digital brokers disrupting the equity broking space and gained significant traction. These brokers offer services at competitively priced fixed brokerage fees, irrespective of size of order and provide such services via their digital platform. Amongst these flat fee brokers, some offer a complete bouquet of value added services at similar competitive prices.

Until recently the Indian stock broking industry was largely dominated by traditional players who followed the yield based fees model. This was backed by a branch led model of physical infrastructure, large feet on street bandwidth and convenience of three-in-one accounts. This model had its own inherent limitations thereby restricting the growth of the industry.

RISE OF DIGITAL BROKERS

Over the last five years, we have witnessed significant shift in the way services were offered and consumed in India. The availability of abundant

and affordable data packages coupled with low priced smartphones led to this massive change. India, over this period, saw an explosion in internet penetration and consumption. Digital first became a norm for some industries.

The Indian broking industry was always ahead of the curve in adoption of technology compared to its other BFSI peers. Ability to onboard clients and complete their KYC journey digitally has been a big boost for the industry. The emergence of digital brokers is an offshoot of this transformation. The ecosystem was ripe to enable digital brokers integrate their technological prowess with the prevalent digital infrastructure and gain substantial market share. With this, the broking industry, especially on the retail side, transformed into a Fintech industry. Today, extensive use of Artificial Intelligence and Machine Learning capabilities are imperative to create a vital differentiator across the entire value chain of the business.

The digital brokerages today garner a dominant share in the industry with their service offerings to clients using digital trading platforms. Facilitated by seamless DIY registration, ease of transacting, offering an open architecture with integration of 3rd party products, the industry is experiencing a surge in retail investor participation, which, in turn, is boosting the overall trading volumes.

ROBUST CLIENT ADDITION

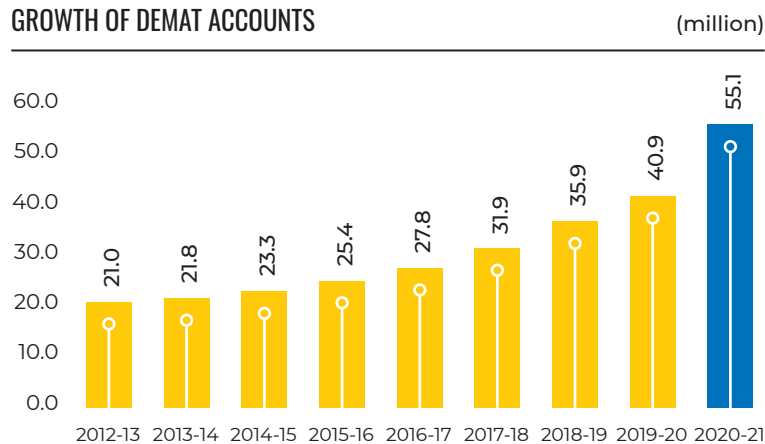
Broking industry has evolved over the past decade, while the last five years playing a very critical role, with the advent of a digital ecosystem across the entire BFSI sector, buoyancy in equity markets led by stable

low single digit inflationary trend and a generational shift of wealth creation through financial inclusion. Despite the volatile nature of the industry, the country has witnessed consistent growth in Demat accounts with a long term CAGR of 12.8 Percent.

This trend was accentuated in fiscal 2021, when the industry

added its highest ever new Demat accounts of ~14.3 million – which is 34.9 Percent higher over the previous year. Based on the trends observed in other economies, it is evident that India is at an inflection point with respect to penetration of equities and equity linked products as an asset class.

GROWTH OF DEMAT ACCOUNTS



A rich roster of planned marquee IPOs over the next few years will further give a fillip to the growth in Demat accounts going forward.

The Authorised Persons channel also plays a very important role to cater to a segment of clients who require some bit of hand holding and physical connect. However, this channel has also evolved over time to become more digital and plays a crucial role in the development of the industry.

DEMOGRAPHICAL SHIFT IN INDIAN CONSUMER

Currently, India is one of the youngest nations in the world, with a median age of 28 years. India's demographic dividend is

set to rise with the proportion of population in the working age-group of 15-64 years expected to rise from 64.1 Percent in 2010 to 68.5 Percent by 2035. Additionally, India's millennial population of 333 million and Gen Z population of 375 million provides huge growth opportunity.

This clearly highlights that contrary to other G3 and Asian countries, India's working population has not peaked and will continue to grow for the next three decades. Increase in life expectancy and rising aspirations of the young working population will lead to more investments in the capital markets.



INCREASING INTERNET PENETRATION

The Government's 'Digital India' initiative supported by Aadhaar and bank account penetration have led India to shift from being a cash-dominated economy to a digital one. Moreover, increase in affordable smartphone penetration and faster data speeds, have resulted in higher internet adoption in deeper pockets of the country. As a result, India's youth population have become technologically savvy and prefer to conduct most of their transactions digitally.

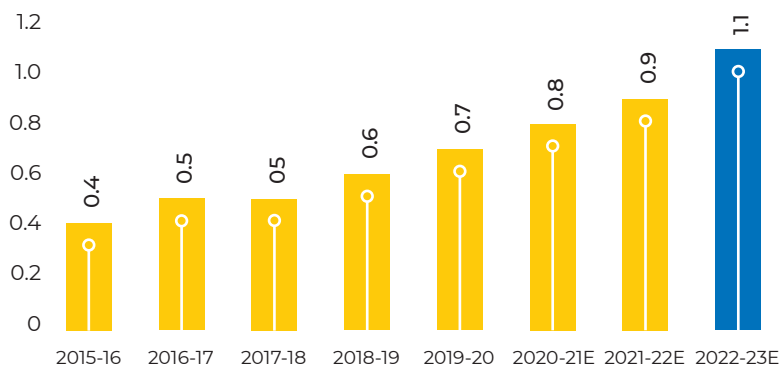
India has around 700 million internet users and 658 million 4G data subscribers as of 2020. The internet penetration is expected to reach 1,100 million by 2023 covering ~75 Percent of the population. The time spent on internet by Indians every day averaged at 6 hours 30 minutes in 2020.

Abundant availability of data, increasing penetration of smartphones, easy information dissemination, growing digital investor education initiatives from market participants

and independent influencers through access to social media, investors are increasingly becoming better equipped to trade and invest in the equity markets.

INTERNET USERS, INDIA-2016-23

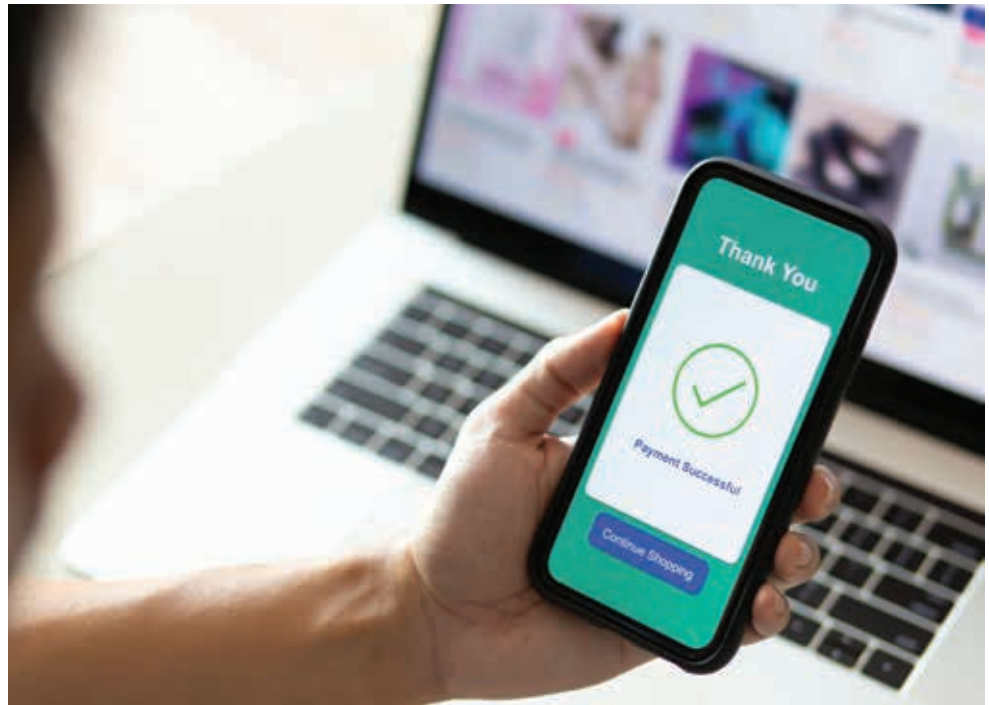
(billion)



Source: Datareportal

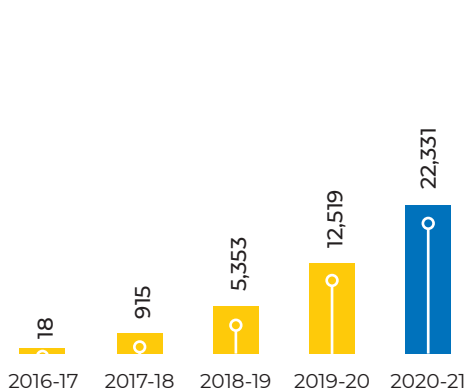
BOOMING UPI TRANSACTIONS

Digital wallets have had a phenomenal influence on the way Indian consumers are transacting through their mobiles. Unified Payments Interface (UPI) of the Government's National Payments Corporation of India and these private payment apps have boosted the growth of digital payments in the country. UPI transactions value witnessed a CAGR of 393.0 Percent to ₹ 41,036 billion in FY 2020-21 from ₹ 69 billion in FY 2016-17. In terms of volume, UPI has seen transactions on its platform grow at CAGR of 494.6 Percent over the same period to 22.3 billion in FY 2020-21 from 17.9 million in FY 2016-17.



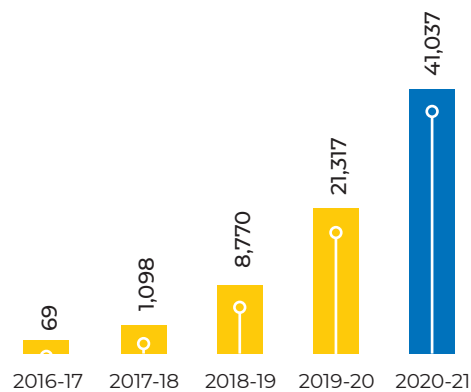
VOLUME WISE GROWTH OF UPI TRANSACTIONS

(million)



VALUE WISE GROWTH OF UPI TRANSACTIONS

(₹ billion)



The extremely simple, seamless, secure and real time UPI interface connected to the entire banking system has helped digital brokers to nullify the advantage of three-in-one accounts enjoyed by the bank led brokers.

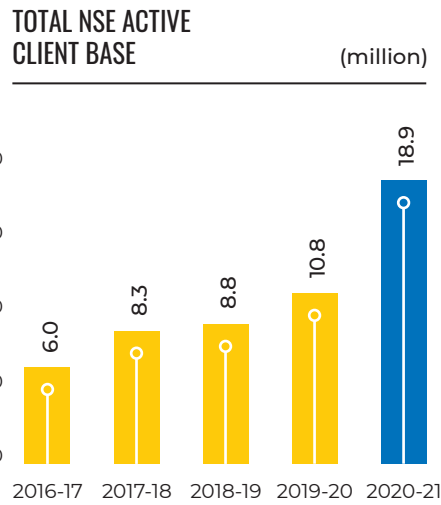
RISING HOUSEHOLD FINANCIAL SAVINGS

The falling interest rate cycle, coupled with low returns from traditional investment avenues such as fixed deposits, gold and real estate, have led to a positive shift in retail investor interest to capital markets. Amongst other things, the gradual pickup in

economic activities have led to a surge in household financial savings in India. The share of equity investments within household financial savings has marginally improved to 4 Percent, with a tremendous opportunity to grow to double digits, led by higher awareness and retail participation.

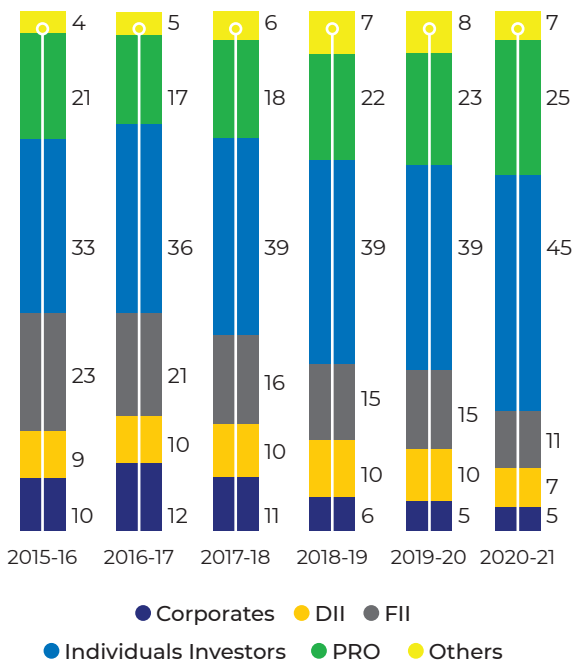
RISING BASE OF ACTIVE CLIENTS*

Ease of trading coupled with sustained growth in indices leads to a formidable opportunity of wealth creation for the retail participants. Incorporation of various advanced and easy to understand charting tools further attracts participation. This has led to a tremendous growth in active client base over the last few years, with FY 2020-21 seeing a quantum jump of 75.0 Percent in the base to 18.9 million. The strong intent of wealth creation in the proliferation of Demat accounts across Tier II, III and beyond cities over the last few quarters has also helped increase the active client base substantially.

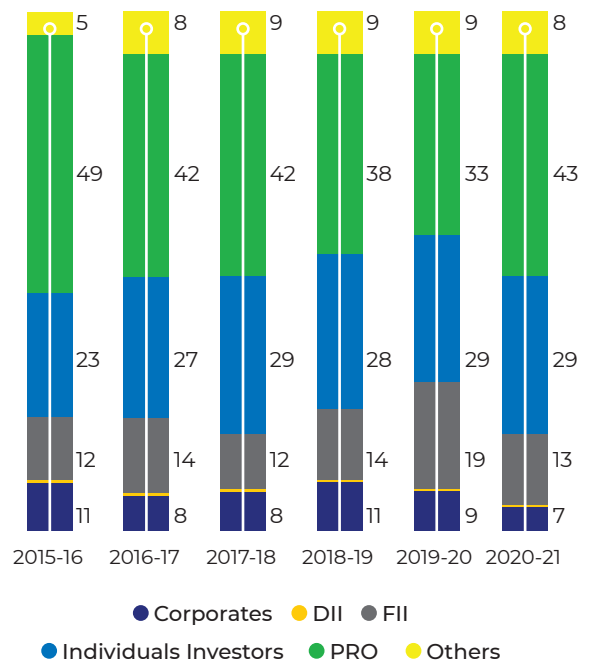


The share of retail investors in cash and derivative segments rose sharply by 1,200 bps and 600 bps to 45 Percent and 29 Percent in FY 2020-21 from 33 Percent and 23 Percent in FY 2015-16 respectively, rising sharply in the current fiscal.

SHARE OF CLIENT PARTICIPATION IN CAPITAL MARKETS (CASH SEGMENT) AT NSE (%)



SHARE OF CLIENT PARTICIPATION IN EQUITY DERIVATIVES (NOTIONAL TURNOVER) AT NSE (%)



(Source: NSE)

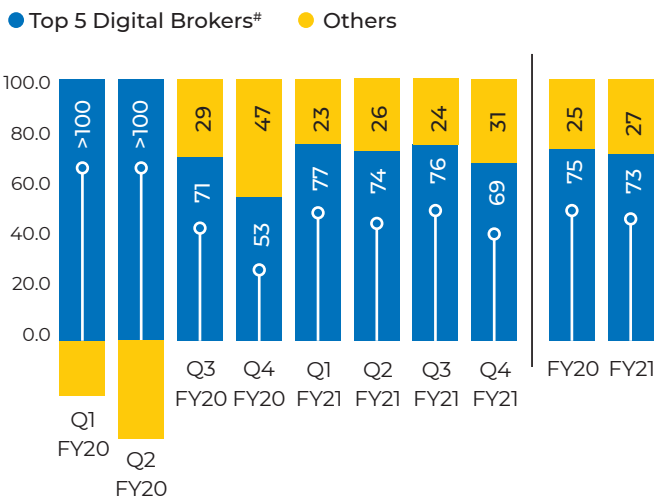
(Source: NSE)

Digital brokers are leading the charge, with their share in incremental active clients' base at a sustained rate of over 70 Percent. As a result, their share in overall active client base steadily increased to 47 Percent in Q4 FY 2020-21 from 19 Percent in Q1 FY 2019-20, thus registering a staggering 5x growth in active client base to 9 million.



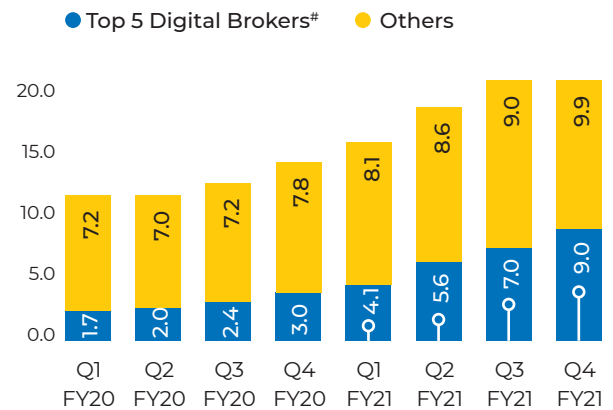
SHARE OF DIGITAL BROKERS IN INCREMENTAL NSE ACTIVE CLIENT

(%)



SHARE OF DIGITAL BROKERS IN NSE ACTIVE CLIENTS

(millions)



* On NSE

* Digital brokers are Top 5 digital brokers on incremental basis in Q4 FY 2020-21.

RETAIL PARTICIPATION FROM TIER II, III AND BEYOND CITIES

The equity markets, empirically have demonstrated attractive long term returns as compared to low interest yield on savings and deposits. Many first-time young investors from Tier II, III and beyond cities are now participating to reap benefits of such long term returns. With increasing financial literacy, awareness and opening up of more bank accounts, the demand for financial products from smaller cities has increased

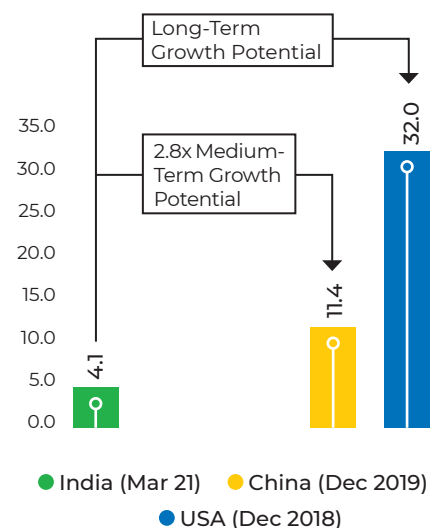
exponentially. In addition, user-friendly trading platforms, mobile app and competitively priced brokerage plans have led to an influx of more millennial investors in the capital market.

UNDERPENETRATED INDIAN MARKET

As on March 2021, India's Demat account penetration as a proportion of the total population stands at ~4.1 Percent. This number is quite low as compared to developed economies of US and China and provides ample scope for further additions.

HUGE AND SUSTAINABLE GROWTH OPPORTUNITY

(%)



With ~70 Percent of the population residing in Tier II, III and beyond cities, India is at a cusp of a major growth opportunity for a sustained period of time. This will be largely tapped by digital players who are designed to benefit from the digital highways created as they enter newer markets thus deepen penetration.

DIGITAL TRADING PLATFORMS ARE STEALING THE PLOT

Technology continues to play a pivotal role in taking the broking sector to the next level, by expanding footprints even in smaller locations across the country. Tech-savvy millennials increasingly demand do-it-yourself trading platforms. The evolution of technology such as machine learning, artificial intelligence have helped digital brokers penetrate their target customer segment faster. Digital journeys, mobile-based trading and robo-advisory have resulted in enhanced user experience. Digitalisation is helping them improve efficiency at optimised cost.

The penetration of internet trading has been deepening, with the number of active registered subscribers seeing a significant increase. Internet based trading in FY 2020-21 strengthened across all segments, largely led by increased retail participation. On an average, daily turnover through internet-based trading on NSE rose by 70.0 Percent YoY in cash market and 43.1 Percent YoY in the equity derivatives segment (Source: Market Pulse, NSE). As a consequence, digital brokers with superior mobile and digital platforms will draw more customers and are likely to emerge as winners in the long term.

INDUSTRY REGULATIONS

The market regulators, from time to time have introduced new regulations in order to protect the interest of retail investors. During the last financial year, a number of new regulations came into effect which will have a far reaching positive impact on the market especially from the point of view of retail investors.

- ▲ Alternative Risk Management Framework from Multi Commodity Exchange of India Limited (MCX)
- ▲ Upfront margin for cash segment
- ▲ Pledge-Repledge
- ▲ Peak margin for intraday trading

In the light of the unprecedented event of negative crude oil price in April 2020, SEBI prescribed an Alternative Risk Management Framework that would be applicable in case of near zero and/or negative price for any underlying commodity/futures.

From September 2020, SEBI mandated its trading and clearing members to mandatorily collect and report upfront margins so collected from clients' basis the predefined margin fulfilment criteria for various stocks, for trades executed in the cash segment.

SEBI, also introduced a new pledge-repledge-unpledge mechanism for stocks to safeguard investors from brokers misusing client securities entrusted to them. With this regulation, the fully paid stocks now remain in the clients Demat account with an OTP based pledging process to enable collateralise the

position / provide margin trade funding (MTF), with the broker / exchange.

The peak margin regulations being implemented in four phases from December 2020 onwards envisage curtailing the leverage exposure offered and consumed by clients to a maximum of 4x to 1x over the four phases of implementation. All the above regulations are in the best interest of the retail investors and will further help expand the market.

CHALLENGES

- ▲ Retail participation and inflows into the equity market are heavily influenced by market performance and sentiments; any downturn or volatility could make them move away from equity markets and push towards less riskier assets
- ▲ Political instability in India or anywhere in the world, harsh protectionist measures by larger economies, or faster-than-required tightening of monetary policy could impact growth and global trade

OUTLOOK

The year 2020-21 witnessed broking firms registering a surge in the number of retail investors from Tier II, III and beyond cities, who aspire for better returns over fixed-income securities. This investors segment majorly comprises of well-informed young millennials who are tech-savvy and demand faster and easier digital ways to invest. However, the Demat account penetration in the country stands at 4.1 Percent. Considering NSE Active Client Base as a more accurate representation of unique clients,

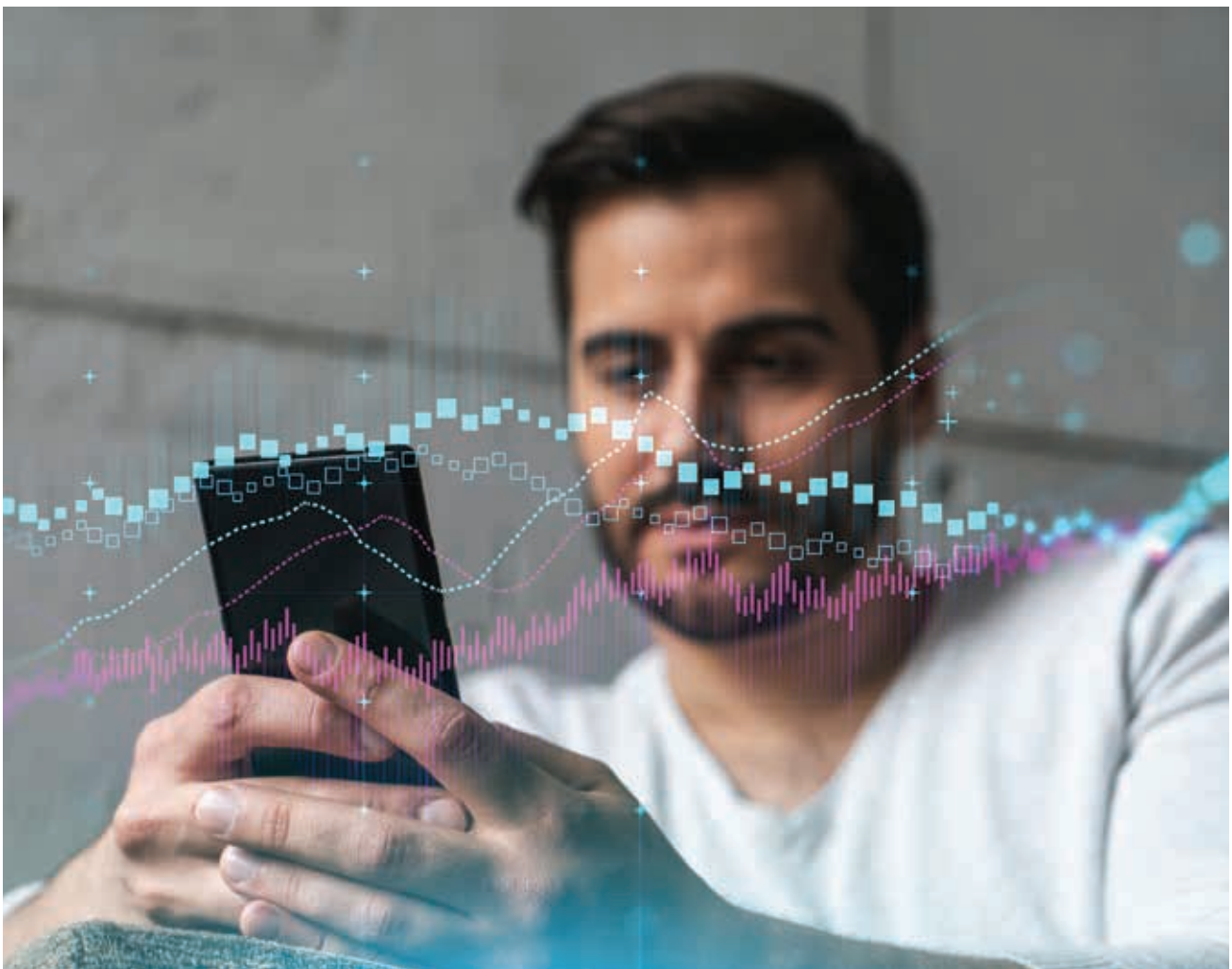
that demonstrates still lower real penetration level at around ~1.4 Percent only. In contrast, developed markets like US and China have Demat penetration of 32 Percent (2018) and 11.4 Percent (Dec 2019) respectively. Considering the small size of equity participation in India, there is a tremendous growth opportunity in the broking industry, especially for digital broking entities.

With deeper penetration of equity culture, rising disposable incomes, and more population

entering the working age bracket, the demand for equity investment will continue to grow further. In this scenario, players with robust digital capabilities will undoubtedly be the direct beneficiaries. Digital broking firms are poised to grow strongly, underpinned by their advanced technology architecture, seamless digital onboarding journeys, improved customer satisfaction and increased revenues.

In addition, after witnessing record number of active client additions and average daily

turnover (ADTO) in a pandemic-marred fiscal, brokerage companies will continue to see positive revenue growth in fiscal 2022. Also, gradual economic recovery, sufficient liquidity and falling interest rates will lead to a more optimistic economic outlook. However, market volatility, sudden spike in COVID infections and phased implementation of new margin regulations may act as a drag on incremental volume growth, and hamper growth prospects, but only intermittently.



COMPANY OVERVIEW

Over the last 25 years, Angel Broking Limited (ABL), has built a strong business presence in the financial services industry. Today, the Company is one of the largest retail focused Fintech broking houses in India, in terms of active clients on NSE. Through its digital platforms, the Company offers services of broking, advisory, margin funding, loan against shares and financial product distribution to its clients under the brand “Angel Broking”. The Company offers these services through (i) online and digital platforms and (ii) network of over 15,000 Authorised Persons. As on 31 March, 2021, the Company has a customer outreach spanning across approximately 97.9 Percent or 18,854 pincodes in India.

The Company uses a data-science led approach to acquire clients across Tier II, III and beyond cities, continuously engage with them and create stickiness to retain them. It extensively uses Artificial Intelligence and Machine Learning to develop best in class algo enabled acquisition engine to provide omni-channel journey orchestration and personalisation for superior user experience and conversion rates. Using technology, the account opening process is seamless with paperless KYC process thus enabling them to open a Demat account and start to trade within 5 minutes.

The Company has created a host of digital properties like Smart Money, Smart Buzz etc. that helps it build a complete ecosystem ranging from investor education to financial planning and wealth creation. Through this, it attracts

clients across age groups with acquisitions largely from Generation Z and millennial segments, who are digital natives and prefer DIY (Do-it-Yourself) services at the most competitive price. The Company currently offers a flat fee broking plan of ₹ 0 / 20 to its direct clients, where all equity delivery trades are zero brokerage and a nominal flat brokerage fee of ₹ 20 / order for Intraday, F&O, Currency and Commodity orders.

ABL had more than 9.2 million downloads of Angel Broking mobile application and over 1.1 million downloads of Angel BEE mobile application as on 31 March, 2021, which enables clients to avail services digitally. As on 31 March, 2021, over 4.1 million operational broking accounts of the Company had assets worth ~₹ 292,040 million.

OUR BUSINESSES

1) BROKING AND ADVISORY

The Company focuses on providing broking services across equity (cash-delivery, intra-day, futures and options), commodity and currency segments, subscribing to Initial Public Offerings, along with debt products to its expansive base of retail investors. These services are offered across various digital platforms of the Company i.e. Angel Broking Mobile App; web platform <https://trade.angelbroking.com/>; Angel SpeedPro, a desktop application and Angel BEE app for 3rd party products. The Company's proprietary algorithm based investment engine, ARQ, has been extensively used in creating these products. The Company also created a digital platform

Angel NXT for its wide network of Authorised Persons to enable them to leverage social media networks for client acquisitions, advisory, engagement, etc.

The Company's relationships with 45+ banks and payment aggregators, provides its clients greater flexibility to integrate their existing banking accounts with the Company's digital systems. With the UPI integration, clients can seamlessly transfer funds on a real time basis. The Company's robust and scalable information technology infrastructure is designed with adequate redundancies to accommodate rising client base and corresponding trading volumes. To complement its broking and advisory services, it also provides the following additional services to its clients:

▲ Research Services:

As of 31 March, 2021, the Company had a strong research team who cater to quantitative and qualitative research requirements relating to the stock market such as equity fundamentals, technical, derivatives, commodities currencies and mutual funds.

▲ Investment Advisory:

The Company provides investment advisory services to its retail clients with customised investment recommendations aided by its algorithm based investment engine “ARQ”. This investment engine assists its clients in achieving their investment goals across various investment avenues such as equities, debt, currency, commodities, derivatives, mutual funds and insurance products.

▲ **Open architecture:**

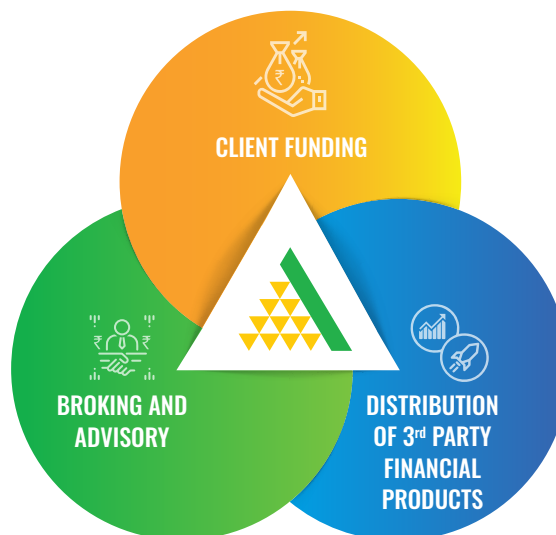
The Company has created a plug and play architecture that allows its clients to utilise services offered by 3rd party service providers. The Company has integrated services of smallcase, sensibull, streak, market mojo and Vested onto its platform. These products expand the Company's digital offering to their clients, for investing not only in India market but also in international market.

▲ **Investor Education:**

Through the website, www.angelbroking.com, the Company has built an exhaustive knowledge centre which aims to empower investors, including its clients, with an understanding in respect of trading and investments products. As part of the investor awareness initiative, the Company regularly undertakes sessions through various digital mediums, to enhance its retail clients' knowledge regarding various products, research and market trends.

2) CLIENT FUNDING

One of the vital differentiators for the Company vis-à-vis digital peers, is the margin funding facility to its clients for periods ranging upto 365 days and beyond. Funding for upto 80 Percent of the purchase value is provided to clients. This funding is offered to clients to meet their requirements for cash delivery segment of equities. Such funding is subject to exposure against margins that are mandated by stock exchanges, with securities forming a part of the collateral for such funding. The Company, charges its clients approximately 18 Percent interest on the funds that they utilise under this mechanism. The Company also offers Loan



Against Shares through its subsidiary Angel Fincap Private Limited, a registered NBFC.

Robust risk management systems, which get triggered when value of the underlying asset declines, ensure that the Company's margin funding book remains largely delinquency free.

3) DISTRIBUTION OF 3rd PARTY FINANCIAL PRODUCTS

The Company, along with its wholly owned subsidiary, undertakes distribution of 3rd party financial products such as mutual funds, health and life insurance based on the clients' requirements. The Company has tied up with all Asset Management Companies to distribute their mutual fund products

▲ **Mutual Funds**

The Company follows an "open-source" distribution model, pursuant to which it distributes mutual funds of third parties irrespective of their affiliation or size. As of 31 March, 2021, the Company distributed mutual funds schemes of 38 asset management companies. The Company also provides its clients with a range of tools and information, including ratings (including third party ratings) and historical performance, to identify the right funds to invest in. Commissions

received from such third-party funds are linked to the contribution to their AUM from the Company's distribution.

The AUM of the mutual funds distributed by the Company was ₹ 11.8 billion as on 31 March, 2021.

▲ **Life and Health Insurance**

Angel Financial Advisors Private Limited (AFAPL), a wholly owned subsidiary of the Company, a registered corporate agent with IRDAI, distributes various types of life insurance policies such as term insurance plans, traditional savings plans and unit-linked insurance plans. AFAPL currently distributes life insurance products of Aditya Birla Sun Life Insurance Company Limited, ICICI Prudential Life Insurance Corporation Limited and HDFC Life Insurance Company Limited.

In terms of health insurance, AFAPL distributes health insurance products of HDFC ERGO General Insurance Company Limited and Manipal Cigna Health Insurance Company Limited.

In terms of general insurance, AFAPL offers various general insurance products. It currently distributes general insurance products of HDFC ERGO General Insurance Company and Bajaj Allianz General Insurance Company Limited.

BUSINESS PERFORMANCE

BROKING AND ADVISORY SERVICES

Broking and advisory services is the dominant segment of the business contributing ₹ 10,623 million, accounting for 81.8 Percent of our total revenues in FY 2020-21. This segment comprises of broking (equity, derivatives, commodity and currency), advisory and related services. The Company operates through two channels: Direct Clients and Clients acquired through Authorised Persons.

The Company acquired approximately 2.4 million clients during the year, thereby more than doubling its client base to over 4.1 million and becoming one amongst the top 5 retail brokers in the industry. This was possible as a result of the digital transformation and significant process improvements carried out over the last few years. This strong acquisition translated to a market share of 16.2 Percent of incremental Demat accounts in FY 2020-21, up from 10.5 Percent in FY 2019-20. With 38 Percent of our overall client base active on NSE in FY 2020-21, the company was the 4th largest broking business in the industry with a market share of 8.3 Percent, up from 5.3 Percent in FY 2019-20. Having added approximately 1 million active clients during the year, 6x growth over the previous year, the Company rose to 3rd rank in the industry, with a market share of 12.2 Percent.

This strong client addition coupled with robust growth in active clients resulted into 4.8x jump in the Company's overall average daily turnover to approximately ₹ 2.0 trillion for FY 2020-21 from ₹ 413 billion in FY 2019-20. This led to a 1,055bps expansion in retail equity market share to 16.0

Percent in FY 2020-21 from 5.4 Percent in FY 2019-20. We experienced significant turnover market share gains across segments of cash, derivatives and commodity during the year. Similarly, the Company also witnessed quantum jump in the overall number of trades to 671 million during FY 2020-21, registering a growth of 149.2 Percent over the previous year.

With over 15,000 Authorised Persons registered on NSE, the Company continues to rank Number 1 in the industry. Through this wide network of Authorised Persons, the Company caters that set of clients who require personalised services.

CLIENT FUNDING

The Company had strong client funding book of ₹ 11.7 billion* as of 31 March, 2021, being amongst the top 5 brokers in this category. This business contributed ₹ 1,273 million in revenues for the year FY 2020-21. This client funding book was spread across approximately 0.3 million clients with robust yield. The client funding facility is an integral part of the Company's offering with a unique proposition for its clients. Strong risk management system along with liquid collaterals ensures negligible delinquencies for the client funding book.

* includes margin trading funding, loan against shares, trade receivables (net of receivable from stock exchanges)

DISTRIBUTION OF 3rd PARTY FINANCIAL PRODUCTS

The Company along with its wholly owned subsidiary, is engaged in distribution of 3rd party products such as Mutual Funds, Insurance, etc. The Company distributes mutual funds of 38 Asset Management Companies with client assets

of ₹ 11.8 billion as on 31 March, 2021, registering a growth of 72.8 Percent over the previous year. The active SIP count grew by 36.6 Percent to ~0.2 million in FY 2020-21. The Company's life and non-life insurance premium collection grew by 13.2 Percent over the previous year to ₹ 169 million in FY 2020-21. The distribution business is one of the thrust areas for the Company.

OUTLOOK

Diligently channelising savings, across financial assets, is an essential lever to achieve one's financial goals and aspirations. A large and growing pool of young, technology savvy digital natives, fully understand the benefits of such asset diversification. For successful full-scale financial inclusion, large scale equity penetration is imperative. A fledging internet network across Tier II, III and beyond cities coupled with low inflation and interest rate scenario, makes investments in equities as one of the most attractive asset classes. With almost 2/3rd of the population residing in beyond Tier I cities and largely comprising of generation Z, millennials and generation X population, represents huge potential to grow equity penetration to about 10 Percent in the near term and about 30 Percent+ in the long term (in line with the other economies of the world) for the country.

FY 2020-21, was an inflection point for the broking industry, as the country witnessed one of the fastest growth in Demat accounts. Despite this, India continues to remain a highly underpenetrated market for

equities with only ~4.1 Percent of the total population having access to stock markets. Digital players like Angel Broking stand to benefit from this huge potential given their widespread presence through various digital mediums and robust product and technology that ensures superior customer experience.

The Company's extensive domain knowledge and digital prowess, facilitates it to play a significant role in stimulating more clients in their journey of financialisation of savings. Diverse financial products ranging from equities, mutual funds, insurance, loans, etc. further strengthen the Company's position to be a partner in an individual's entire financial journey. Various digital properties curated by the Company for all processes ranging from client acquisition to engagement through digital advisory and educational content and retaining them are some of the offerings vital for the Company's success. Aggressive digital marketing leveraging on best in class products and services will enable the Company to continue to penetrate deeper into Tier II, III and beyond cities, where there is tremendous growth opportunity.

Extensive use of technology, led by Artificial Intelligence and Machine Learning, to further optimise processes and introduce newer products focusing on improving client journeys should enable the Company to garner higher market share across parameters. Over the next couple of years, the Company plans to set up its own Asset Management Company through which it will manufacture products to mobilise clients' funds into

low-cost passive and rule-based investments.

RISKS, CONCERNS AND THREATS

The Company operates in an industry that is influenced by various macro parameters i.e. both global and domestic. Economic environment may be adversely impacted due to rising crude prices, worsening fiscal position of the country, worsening pandemic situation that is currently prevalent globally, rising inflation leading to higher interest rate scenario, depreciating currency, slowdown in corporate earnings, rising NPA position etc. A slowdown in the economy, due to such adverse changes in operating environment could have a material impact on investor interest in capital markets.

The Company is one of the prominent digital players in Indian capital market using advanced technology as its backbone for growth. Continuous investments in upgrading its IT infrastructure coupled with scaling up its digital talent pool is imperative for sustenance of growth. The Company will have to be abreast with the rapidly changing technology to offer seamless and improved experience to its clients. If the Company is unable to keep pace with this, it runs the risk of technology obsolescence.

Since the Indian capital market is an evolving market, the industry is likely to witness regulatory updates frequently. These updates are expected to be with the intent to ensuring longevity of clients in the system and hence creating long-term sustainability for the industry. In the interim as the industry recalibrates to the changes,

there may be near term impact on growth however long-term outlook would be strengthened.

The broking industry is highly competitive, with many participants offering a variety of products and services with the aim to provide best in class customer experience. Similar products and services being offered by banks, financial institutions, full scale brokers, digital brokers, etc. makes the industry optically very competitive. However, today majority of this growth is being driven by the top 5 digital brokers who are continuously expanding reach and deepening the market. Even amongst the digital brokers, majority of whom offer similar pricing plans, have differentiated digital journeys. Players with matured journeys based on client experience will be the larger beneficiaries for future growth.

In the initial period of FY 2020-21, the world and India was adversely impacted by the pandemic which led to material risk off from the markets. Global recessionary expectation also drove crude prices to negative territory for a brief period, which also dented investor sentiment. In such situations, capital market participants become conservative and considerably reduce client exposure to such assets. A similar scenario, if replicates in future may also have corresponding impact on the business' financials intermittently. The pace of response by both central and local administrations will play a key role in the speed of recovery for the industry. The Company's robust risk management framework enabled it to overcome such a sporadic situation that was witnessed in FY 2020-21.



RISK MANAGEMENT

Risk Management plays a key role in business strategy and planning discussions. The Company has implemented a comprehensive risk management framework to identify, understand and manage risks associated with the business. The Company's risk management framework helps in conducting business in a well-controlled environment. It has in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business. In addition to this, the Company has in place a Board constituted Risk Management Committee that periodically assesses the expected and unexpected events, under which it is imperative to make effective strategies for exploiting opportunities. Accordingly, the Company has identified key risks and developed plans for managing the same. The risk management committee also reviews various processes in the business and takes required corrective decisions to protect the value for its stakeholders. The details of the Committee

and its terms of reference are set out in the Corporate Governance Report forming part of this Report. The Board of Directors has adopted a 'Risk Management Policy' which integrates various elements of risk management. The risk management policy is a comprehensive manual that establishes the framework in assessing risk in a structured and well-defined manner. The risk management policy is also reviewed periodically to ensure that the policy remains relevant to the prevailing internal and external risk.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control systems have been designed to effectively and efficiently handle the dynamic and complex nature of business operations of the Company. The internal control systems and environment are commensurate to the scale and volumes of the business with adequate segregation of roles and responsibilities and redundancies. The executives of the Company keep themselves

abreast with the detailed documentation of its policies and SOPs, which are regularly reviewed and updated by the management. The statutory auditors of the Company critically review the internal control environment within the ambit of the Internal Control over Financial Reporting (ICFR) requirements along with Information Technology General Controls (ITGC) framework to arrive at their opinion about the financial performance of the Company. The Company also has a strong internal audit framework as approved by the Audit Committee which ensures detailed coverage of the processes and systems needed to safeguard its assets, prevention and detection of errors and frauds, ensure accuracy and completeness of accounting transactions thus enabling timely preparation of reliable financial information. The various committees of the board, including the Audit Committee, periodically review the observations and recommendations of the internal auditors to further improve the systems and processes.

FINANCIAL PERFORMANCE OVERVIEW

The Company's consolidated revenue grew by 72.1 Percent over the previous year to ₹ 12,990 million in FY 2020-21. Total operating expenses increased 41.4 Percent to ₹ 8,695 million in FY 2020-21. As a result, the

consolidated profit after tax from continuing operations increased 243.4 Percent YoY to ₹ 2,981 million in FY 2020-21. The operating profit margin expanded to 47.9 Percent of total net revenue* during the year, as the Company experienced benefits of strong operating leverage arising out of

significantly higher client base and its transformation initiatives of digitalisation over the past few years. Robust profits with high margins helped the Company achieve a return on average equity of 34.6 Percent in FY 2020-21 on the expanded equity base.

CONSOLIDATED FINANCIAL STATEMENT

A) Results of operations

Extract of profit and loss statement

(₹ in million)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
REVENUE FROM OPERATIONS		
(a) Interest Income	1,769.44	1,577.38
(b) Fees and Commission Income	10,778.22	5,644.00
(c) Net Gain on Fair Value Changes	89.18	24.86
(d) Other Operating Activities		
Total Revenue from Operations (I)	12,636.84	7,246.24
(d) Other Income (II)	352.98	300.90
Total Income (I+II=III)	12,989.82	7,547.14
EXPENSES		
(a) Finance Costs	389.34	488.59
(b) Fees and Commission Expense	3,629.78	2,304.40
(c) Impairment on Financial Instruments	346.04	377.10
(d) Employee Benefits Expenses	1,718.45	1,598.03
(e) Depreciation, Amortization and Impairment	183.60	209.17
(f) Others Expenses	2,610.94	1,382.18
Total Expenses (IV)	8,878.15	6,359.47
Profit Before Tax (III-IV=V)	4,111.67	1,187.67
TAX EXPENSE		
(a) Current Tax	1,041.77	297.31
(b) Deferred Tax	3.92	24.55
(c) Taxes for Earlier Years	85.40	-2.08
Total Income Tax Expense (VI)	1,131.09	319.78
Profit for the Year from Continuing Operations (V-VI=VII)	2,980.58	867.89
Loss after Tax from Discontinued Operations (VIII)	-12.02	-44.43
Profit for the Year (VII+VIII=IX)	2,968.56	823.46
Other Comprehensive Income (XII)	-12.50	-9.61
Total Comprehensive Income for the Year (XI+XII)	2,956.06	813.85

*Total net revenue = total revenue - finance cost - fees and commission expense

INTEREST INCOME

Interest income accounts for 13.6 Percent of the Company's consolidated total income. Interest income grew by 12.2 Percent over the previous year to ₹ 1,769 million in FY 2020-21 from ₹ 1,577 million in FY 2019-20 with a gradual expansion in the Company's client funding book and the interest earned on fixed deposits placed with stock exchanges. The Company's average client funding book marginally increased to ₹ 7.2 billion in FY 2020-21 from ₹ 7.1 billion in FY 2019-20. The Company's average deposits placed with stock exchanges towards margin requirement increased to ₹ 11.8 billion in FY 2020-21 from ₹ 4.4 billion in FY 2019-20.

FEES AND COMMISSION INCOME

Brokerage Income

Gross broking income accounted for 69.8 Percent of total income in FY 2020-21, up from 66.8 Percent in FY 2019-20. Gross broking income increased by 79.9 Percent over the previous year to ₹ 9,065 million in FY 2020-21. This growth was driven by strong client addition coupled with robust client activity. Higher client activity is witnessed from 149.2 Percent growth over the previous year, in the number of trades to 671 million in FY 2020-21 and 380.1 Percent growth over the previous year, in overall average daily turnover to approximately ₹ 2.0 trillion.

Depository Income

Depository income of ₹ 889 million in FY 2020-21, a growth of 157.3 Percent over the previous year, accounted for 6.8 Percent of total income. Growth

in this income was on account of higher client activity in cash delivery segment, pledge-unpledge charges and annual maintenance charge levied to clients.

Distribution Income

Distribution income forms 1.2 Percent of total income in FY 2020-21. Distribution income grew by 55.5 Percent over the previous year to ₹ 155 million in FY 2020-21, driven by a strong IPO market and growth in mutual fund AUM to ₹ 11.8 billion as on 31 March, 2021.

Other Operating Income

The Company's consolidated other operating income grew by 409.5 Percent over the previous year to ₹ 601 million in FY 2020-21. This was primarily driven by increased average daily turnover during the year, which led to growth in transaction related charges.

Net Gain on Fair Value Changes

Net gain on fair value changes increased by 258.7 Percent over the previous year to ₹ 89 million in FY 2020-21. This was primarily on account of income earned on investments in fixed income products.

Other Income

The Company's consolidated other income grew by 17.3 Percent over the previous year to ₹ 353 million in FY 2020-21. The Company earned ₹ 228 million as interest on deposits with banks, 21.0 Percent higher over the previous year. The Company also recovered dues from clients that were previously written off as bad debts in earlier years, which led to 51.0 Percent growth over the previous year, in bad debt recovered, to ₹ 75 million in FY 2020-21.

EXPENSES

Finance Cost

Consolidated finance cost for the Company reduced by 20.3 Percent over the previous year to ₹ 389 million due to higher internal accruals and lower average cost of borrowing during the year.

Fees and Commission Expenses

The Company has the largest network of Authorised Persons of over 15,000 with NSE, with whom it has a revenue sharing arrangement for broking revenue generated from clients acquired by them. Due to increased client base, higher client activity witnessed from robust average daily turnover, payout to these Authorised Persons also increased by 57.5 Percent over the previous year to ₹ 3,630 million in FY 2020-21. Due to rising share of direct clients in broking revenues, fees and commission expense as a percentage of gross broking revenue declined to 40.0 Percent in FY 2020-21 from 45.7 Percent in FY 2019-20.

Impairment on Financial Instruments

The expenses towards impairment on financial instruments were lower by 8.2 Percent YoY to ₹ 346 million in FY 2020-21 despite of an unprecedented one time write off of ₹ 128 million on account of international crude prices settling at negative value in April 2020.

Employee Benefit Expenses

The Company's consolidated employee benefit expenses increased by 7.5 Percent over the previous year to ₹ 1,718 million in FY 2020-21 due increase in salaries on account of increments and variable

pay and increase in total headcount to 2,908 over the year. Significant addition was done to hire more talent in the digital domain and to ramp up the contact centre capacity.

Depreciation and Amortisation Expense

Consolidated depreciation expense reduced by 12.2 Percent over the previous year to ₹ 184 million in FY 2020-21. This was primarily on account of lower depreciation on right-of-use asset recognised as per Ind AS 116 for Leases.

Other Operating Expense

The Company's consolidated other operating expenses increased by 88.9 Percent over the previous year to ₹ 2,611 million in FY 2020-21, due to 321.9 Percent increase in gross client addition, 171.4 Percent increase in active client base to 1.6 million and 149.2 Percent increase in number of trades. As

a result, the spend on marketing grew by 168.4 Percent over the previous year to ₹ 1.3 billion. The Company also increased its spend on technology and product development by 70.8 Percent in FY 2020-21 to ₹ 357 million. Due to higher client activity, the Company's Demat charges increased by 734.6 Percent to ₹ 217 million in FY 2020-21. During the year, the Company spent ₹ 28 million on its Group CSR activities, higher by 21.1 Percent over the previous year.

Profit After Tax from Continuing Operations

As a result of the above, the Company's consolidated profit before tax from continuing operations increased by 246.2 Percent over the previous year to ₹ 4,112 million in FY 2020-21. During the year, the Company and its subsidiaries settled some

old tax cases under the Vivaad se Vishwas scheme for ₹ 83 million. This coupled with robust growth in business operations led to 253.7 Percent over the previous year increase in total tax expense during the year. The effective tax rate, excluding tax for previous years, reduced to 25.4 Percent in FY 2020-21 from 27.1 Percent in FY 2019-20.

Consolidated profit after tax from continuing operations increased by 243.4 Percent to ₹ 2,981 million in FY 2020-21 from ₹ 868 million in FY 2019-20.

During the year, the Company discontinued operations of its loss making subsidiary, Angel Wellness Private Limited. As a result, there was a loss of ₹ 12 million from these discontinued operations. Factoring this, consolidated profit after tax stood at ₹ 2,969 million in FY 2020-21, a growth of 260.5 Percent over the previous year.

B) Segment Performance

Revenue from the Company's broking and related services accounted for 99.4 Percent of total income of ₹ 12,990 million. Revenue from this segment increased by 73.1 Percent to ₹ 12,914 million during FY 2020-21 from ₹ 7,461 million during FY 2019-20. This increase was primarily due to strong growth in broking revenue.

During the year, the result from broking and related services segment increased by 260.1 Percent to ₹ 4,078 million in FY 2020-21. Strong operating leverage benefits experienced by the Company due to digital transformation initiatives undertaken over the last few years led to this significant growth.

	Year ended 31 March, 2021		Year ended 31 March, 2020	
	Segment Revenue	Segment Result	Segment Revenue	Segment Result
Broking and Related Services	12,913.63	4,078.40	7,460.66	1,132.63
Finance and Investing Activities	84.75	33.08	103.67	53.27
Health and Allied Fitness Activities	1.39	(10.44)	52.06	(39.20)
Unallocated	0.19	0.19	1.76	1.76
(-) Inter - Segment Revenue	8.75		18.96	
Total	12,991.21	4,101.23	7,599.19	1,148.47

Revenue from finance and investing activities reduced by 18.3 Percent to approximately ₹ 85 million in FY 2020-21. This was due to lower lending of loan against shares in the initial half of the year as the Company adopted a conservative stand due to uncertainties around COVID-19.

The Group has discontinued its health and allied fitness activities with effect from 30 June, 2020.

C) Financial Position

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
ASSETS		
Financial Assets		
(a) Cash and Cash Equivalents	5,877.76	6,132.36
(b) Bank Balance other than Cash and Cash Equivalents	12,896.71	8,003.23
(c) Trade Receivables	2,276.95	390.27
(d) Loans	11,284.93	2,805.78
(e) Investments	55.40	352.65
(f) Other Financial Assets	14,289.33	2,705.83
	46,681.08	20,390.12
Non-financial Assets		
(a) Inventories	-	0.45
(b) Current Tax Assets (Net)	14.82	49.18
(c) Deferred Tax Assets (Net)	47.02	48.89
(d) Investment Property	33.94	1.28
(e) Property, Plant and Equipment	1,004.43	1,038.77
(f) Intangible Assets Under Development	1.83	20.88
(g) Intangible Assets	54.73	47.41
(h) Right of Use Assets	55.18	153.16
(i) Other Non-Financial Assets	245.26	151.63
	1,457.21	1,511.66
Total Assets	48,138.29	21,901.77
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
(a) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	1.97	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	22,762.32	9,394.93
(b) Borrowings	11,714.69	4,908.79
(c) Other Financial Liabilities	1,797.06	1,304.65
	36,276.04	15,608.36
Non-Financial Liabilities		
(a) Current Tax Liabilities (Net)	120.52	0.45
(b) Provisions	90.99	67.08
(c) Other Non-Financial Liabilities	340.77	311.68
	552.28	379.21
EQUITY		
(a) Equity Share Capital	818.27	719.95
(b) Other Equity	10,491.70	5,194.24
	11,309.97	5,914.19
Total Liabilities and Equity	48,138.29	21,901.77

Consolidated total assets of the Company increased to ₹ 48.1 billion as on 31 March, 2021 from ₹ 21.9 billion as on 31 March, 2020. This was primarily due to 277.6 Percent jump in client funding book and 440.6 Percent growth in security deposit with exchanges. The Company's consolidated client funding book increased to ₹ 11.7 billion as on 31 March, 2021 as against ₹ 3.1 billion as on 31 March, 2020. Due to higher activity, the Company had to keep higher margins as security with the stock exchanges. As a result, security

deposits with stock exchanges increased to ₹ 14.2 billion as on 31 March, 2021 from ₹ 2.6 billion as on 31 March, 2020.

Consolidated total liabilities of the Company increased to ₹ 36.8 billion as on 31 March, 2021 from ₹ 16.0 billion as on 31 March, 2020, representing an increase of 130.4 Percent. This increase was primarily due to 142.3 Percent, 138.6 Percent and 37.7 Percent rise in trade payables, borrowings and other financial liabilities respectively. Trade payables of ₹ 22.8 billion,

represent the ledger balance of clients' funds kept with the Company to execute their future trades. This money is further kept as margins in the form of deposits with exchanges and the remaining is retained as balance in bank. Borrowings increased to ₹ 11.7 billion as on 31 March, 2021 driven by growth in the Company's client funding book in the exit quarter of the year. Consolidated other financial liabilities increased due to higher payables towards our Authorised Persons, employee benefits and other expenses.

D) Cash Flow

	Year ended 31 March, 2021	Year ended 31 March, 2020
Cash flow (used in) / generated from operating activities	(9,443.75)	6,432.96
Cash flow generated from / (used in) investing activities	247.97	(281.32)
Cash flow generated from / (used in) financing activities	8,941.18	(4,488.90)

Cash used in operating activities

Net cash (used in) / generated from operating activities changed to ₹ (9.4) billion for the year ended 31 March, 2021 from ₹ 6.4 billion for the year ended 31 March, 2020. This was primarily due to utilisation of cash flow from operating activity to finance the Company's growing client funding book. During the year, as the client base expanded, the Company's trade payables also increased. Some portion of these funds were kept as security deposit with exchanges as margin while the balance was retained in the Company's bank balance. Higher profit also led to higher tax outgo for the Company during the year.

Cash generated from investing activities

Net cash generated from / (used in) investing activities changed to ₹ 248 million for

the year ended 31 March, 2021 from ₹ (281) million for the year ended 31 March, 2020. Net cash generated from investing activities was on account of net proceeds from treasury investments held by the Company on a consolidated basis.

Cash generated from financing activities

Net cash generated from / (used in) financing activities changed to ₹ 8.9 billion for the year ended 31 March, 2021 from ₹ (4.5) billion for the year ended 31 March, 2020. This change was primarily due to a net increase in borrowings by ₹ 6.9 billion during the year against net repayment of ₹ 3.8 billion in the previous year. During the year the Company raised ₹ 3 billion through its IPO. The Company paid out higher dividend of ₹ 427 million during the year as compared to ₹ 234 million paid out in the previous year.

Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company has generated value for its clients by creating value for its internal customers, which are its employees. The purpose is driven by focus on its clients and making their lives simpler. This culture has made your Company one of the Best Workplaces in BFSI, India and also a certified Great Place To Work for 5 consecutive years by Great Place To Work Institute.

With 2,908 Angelites, the Company has the most optimistic and prepared team to lead its vision of becoming the most revered Fintech platform in India.

The Company has formulated progressive programs as it continues to channel Angelites' innovation, acumen through Design Lab, Shark tank and Failure Club. The culture of

innovation & agility gives the Company an edge to create industry-leading turn-around times, while releasing critical features. Angelites, have immense growth opportunities & clearly defined and personalised developmental journeys to hone their skills and accelerate their career. The Company follows a fair & independent assessment process to identify future leaders and offer coaching & mentoring to groom them.

Young & dynamic culture enables the Company to not only change with times but also stay ahead and thrive. A collaborative and cohesive environment, is key to the Company's success. Angelites come together to create strategies and robust plans aimed at creating value for their clients. People are empowered to think and experiment, without holding back their breakthrough opportunities while working with an 'intra-preneurial' mindset.

Operating Profit Margin:

Details of significant changes (i.e. change of 25 Percent or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

18.3 % (FY 2019-20)

33.2%

NET PROFIT MARGIN

During the year the Company experienced benefits of scale and digitalisation which led to less than proportionate growth in expenses as compared to its revenues. This led to 1,850bps expansion in its consolidated operating profit margin to 47.9 Percent in FY 2020-21.

Interest Coverage Ratio:

Improved profitability on growing revenue coupled with lower finance cost, led to a significant improvement in the Company's interest coverage ratio to 11.6 times in FY 2020-21 from 3.4 times in FY 2019-20, on a consolidated basis.

Net Profit Margin:

Healthy growth in profit before tax, partially offset by higher tax outgo led to 1,497 bps improvement in the Company's consolidated net profit margin (from continuing operations) to 33.2 Percent in FY 2020-21.

Debt Equity Ratio:

The Company's borrowing increased by 138.6 Percent over the previous year to ₹ 11.7 billion in FY 2020-21. Majority of this

29.4 % (FY 2019-20)

47.9%

OPERATING PROFIT MARGIN

0.8 TIMES (FY 2019-20)

1.0TIMES

DEBT EQUITY RATIO

was short term in nature, which was used to meet the Company's working capital requirements. Shareholders' equity (share capital + other equity) increased by 91.2 Percent to ₹ 11.3 billion in FY 2020-21 due to retention of profits for the year. This led to a marginal increase in the Company's debt equity ratio to 1.0x in FY 2020-21 from 0.8x in FY 2019-20.

Return on Network:

Return on network, calculated as a ratio of consolidated profit from continuing operations (before adjusting for loss on discontinued operations and other comprehensive income) on consolidated average network of the Company expanded to 34.6 Percent in FY 2020-21 from 15.5 Percent in FY 2019-20. 243.4 Percent growth in consolidated profit after tax (from continuing operations) on an expanded consolidated average network (contributed by IPO proceeds) led to this improvement in Return on Network.

3.4 TIMES (FY 2019-20)

11.6TIMES

INTEREST COVERAGE RATIO

15.5 % (FY 2019-20)

34.6%

RETURN ON NETWORK

Financials and ratios are on consolidated basis

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 25TH ANNUAL GENERAL MEETING (“**AGM**”) OF THE EQUITY SHAREHOLDERS OF ANGEL BROKING LIMITED WILL BE HELD ON TUESDAY, 29 JUNE, 2021 AT 10:30 A.M. (IST) THROUGH VIDEO CONFERENCING (“**VC**”)/OTHER AUDIO VISUAL MEANS (“**OAVM**”) TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To receive, consider and adopt the audited (Standalone and Consolidated) Statements of Profit and Loss, Cash Flow Statement of the Company for the financial year ended 31 March, 2021 and the Balance Sheet as at 31 March, 2021 and the Reports of the Directors and the Auditors thereon.

2. Confirmation of payment of the Interim Dividend for FY 2020-21

To confirm the payment of three Interim Dividends aggregating to ₹ 12.86 per equity share for the financial year ended 31 March, 2021.

3. Appointment of Director retiring by rotation

To appoint a Director in place of Mr. Ketan Shah (DIN: 01765743), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Ketan Shah (DIN: 01765743) as Whole-time Director of the Company w.e.f. 05 May, 2021 till 04 May, 2026.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 190, 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V thereof, as proposed and recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company respectively, the consent of the Members of the Company be and is hereby accorded for Change in the designation of Mr. Ketan Shah (DIN: 01765743) from Non-Executive Director to Whole-time Director of the Company for a period of five years starting from 05 May, 2021 till 04 May, 2026 on the terms and conditions including remuneration as set out in the Explanatory Statement attached to this Notice convening this meeting with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said appointment in such manner as may deem fit.

RESOLVED FURTHER THAT the Board of Directors (including Nomination and Remuneration Committee) be and is hereby authorised to vary or to increase the remuneration specified above from time to time to be payable to Mr. Ketan Shah in such manner as the Board of Directors considers appropriate, provided that such variation or increase, as the case may be, are subject to the same not exceeding the overall limits specified under Section 197 and Schedule V to the Companies Act, 2013 or any amendments thereof.

RESOLVED FURTHER THAT the other terms and conditions of appointment of Mr. Ketan Shah (**DIN: 01765743**), currently holding the office as non-executive Director of the Company, liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Act, Rules and/or applicable laws, will remain unaltered.

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded for payment of performance incentives to the Whole-time Director subject to the terms and conditions as set out in the Explanatory Statement attached to this Notice and the said performance incentives will form part of Whole-time Director's Remuneration.

RESOLVED FURTHER THAT Mr. Ketan Shah, Whole-time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

RESOLVED FURTHER THAT any of the Directors or the Key Managerial Personnel of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give full effect to the foregoing resolution."

5. Addition to the main object clause of the Memorandum of Association of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 4, 13, 15 and other applicable provisions, if any, of Companies Act, 2013 ("the Act") read with rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval of the Registrar of Companies, Mumbai ("**ROC**"), the consent of the Members be and is hereby accorded for insertion of Clause 4 mentioned below in the main object of the Memorandum of Association of Company in addition to the existing clause:

4. To act, whether in India or abroad, as a Sponsor, Asset Management Company and/or trustees for any type of investment funds, mutual funds and for that purpose to set up, promote, settle and execute trusts, devise and manage various schemes for raising funds in any manner from persons, bodies corporate, Trusts, Societies, Association of persons and to deploy, whether in India or abroad, funds raised and earn reasonable returns on their investments and to deal with, engage in any carry out all other functions, incidental

thereto and such other activities as may be approved by the Securities and Exchange Board of India and/or other regulatory authorities and to undertake and carry on the functions, duties, activities and business of Asset Management Company and/or Trustees and to undertake and execute trusts of all kinds, whether public or private including declaring the company itself as an Asset Management Company and/ or Trustees in India or abroad and to carry out business of formulating, marketing, rising funds, plans and schemes, including mutual funds schemes, and to arrange for the sale, redemption, cancellation, revocation of the unit and to distribute the proceeds thereof among the other unit holders or investors, beneficiaries or all person entitled to the same periodically or otherwise in furtherance of any trust direction, discretion or other obligation or permission and generally to carry on what is usually known as trustee business and in particular and without limiting the generality of above, to act as Trustee.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dinesh Thakkar (DIN: 00004382) or Mr. Ketan Shah (DIN: 01765743), Director of the Company or Mr. Vineet Agrawal (Chief Financial Officer) or Ms. Naheed Patel (Company Secretary) of the Company be and are hereby severally authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies."

By Order of the Board
For **Angel Broking Limited**

Naheed Patel
Company Secretary & Compliance Officer
Membership Number: A22506

Date: 29 May, 2021

Place: Mumbai

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No.14/2020 dated 08 April, 2020, Circular No.17/2020 dated 13 April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05 May, 2020 and Circular No. 02/2021 dated 13 January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated 08 April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2 Percent or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 08 April, 2020, 13 April, 2020 and 05 May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.angelbroking.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. GM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08 April, 2020 and MCA Circular No. 17/2020 dated 13 April, 2020, MCA Circular No. 20/2020 dated 05 May, 2020 and MCA Circular No. 2/2021 dated 13 January, 2021.
8. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members who would like to express their views during the AGM may register themselves as a speaker by sending their request from their registered e-mail address/ send their queries in advance, mentioning their name, demat account number / folio number, email id, mobile number at investors@angelbroking.com. Questions / queries/ registration requests received by the Company from from 22 June, 2021 (9:00 a.m. IST) to 23 June, 2021 (5:00 p.m. IST), shall only be considered and responded during the AGM and those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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

The remote e-Voting period begins on Thursday, 24 June, 2021 at 9:00 A.M. and ends on, Monday, 28 June, 2021 at 05:00 P.M. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22 June, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22 June, 2021.

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

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

Step 1: Access to NSDL e-Voting system

A) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

In terms of SEBI circular dated 09 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

B) Login Method for e-Voting and joining virtual meeting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on

e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the

Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/ Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to scrutinisers@mmjc.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or

"Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager, NSDL or Mr. Anubhav Saxena, NSDL at evoting@nsdl.co.in
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 22 June, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 22 June, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@angelbroking.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested

scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@angelbroking.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 09 December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by

following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@angelbroking.com. The same will be replied by the Company suitably.

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

ITEM NO. 4:

Mr. Ketan Shah was appointed as Non-Executive Director on the Board of Company on 11 May, 2018 and was regularised in the Annual General Meeting held on 21 May, 2018 as a Non-Executive Director of the Company liable to retire by rotation.

He has shown his willingness to act as Whole-time executive director of the Company.

He holds a bachelor's degree in Commerce from the University of Mumbai. He has over 25 years of experience in the broking and financial service industry. Keeping in view his vast experience, role

and responsibilities, leadership capabilities, and contribution in the performance of the Company, the Nomination and Remuneration Committee and Board of Directors of the Company at their meeting held on 05 May, 2021, have proposed to change his designation from Non-executive Director to whole-time Director of the Company for a period of five years with effect from 05 May, 2021 on the remuneration and terms and conditions set out below:-

1. Remuneration, Perquisites and allowances:

Breakup of the Remuneration for FY 2021-22

Particulars	Amount
Basic	6,001,028
House Rent Allowance	3,000,514
Special Allowance	4,955,359
Flexi Benefits	1,029,996
Provident Fund	0
NPS	0
Mediclaime	6,996
Term plan	8,676
Total (Gross salary for the year)	15,002,569

Details of stock options granted to Mr. Ketan Shah under the various ESOP Plans of the Company are as follows:

- Under Angel Broking Employee Stock Option Plan 2018 - 153,300 stock options
- Under Angel Broking Employee Long Term Incentive Plan 2021 - 33,768 stock options

Explanation: Perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

2. Commission/Performance Bonus:

As may be decided by the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, from year to year.

3. Overall Remuneration:

The aggregate of salary allowances and perquisites in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may, for the time being, be in force.

The approval of the shareholders is sought by way of special resolution to the appointment and

payment of remuneration to Mr. Ketan Shah as Executive Whole-time Director of the Company in accordance with the relevant provisions of the Act read with Schedule V thereto.

The Company has received from Mr. Ketan Shah consent in writing to act as Whole-time Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; intimation in Form DIR-8 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013, declaration pursuant to Part I of Schedule V and a declaration that he has not been debarred from holding office of a Director by virtue of any Order passed by SEBI or any other such authority.

None of the Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice except Mr. Ketan Shah and his relatives and to the extent of his shareholding in the Company.

The Board recommends to the shareholders the said resolution to be passed as Special resolution.

ITEM NO. 5:

The Company is primarily engaged in the business of shares and stock brokers and throughout this year and the Company had achieved its best ever performance across all parameters, be it business, market-share or financial. The Company achieved its best ever ranking for active clients on NSE, amongst all broking businesses during the year. The Company has various plans for expansion of its business operations from the present level and accordingly, it is proposed to include the additional business activity of Sponsoring of Asset management business or and/or trustees for any type of investment funds, mutual funds etc. by altering the Main objects clause of the Memorandum of Association (MOA) through insertion of Clause 4 in the existing MOA of the Company.

The Board of Directors of the Company, vide its resolution passed at the meeting held on 29 May, 2021 has proposed to add clause 4 to the main object of the Memorandum of Association of the Company and seek the approval of the Members by way of Special resolution.

Further, the Company has already utilised more than 95 Percent of the funds raised by way of Initial Public Offering (IPO) and based on the report issued

by the monitoring agency i.e. ICICI bank limited there has been no deviation from the object of offer. Company hereby confirms that Company shall not use unutilised funds raised from IPO to finance the proposed new object.

The revised set of draft Memorandum of Association after incorporating the alterations/amendment/modifications as approved by the Board of Directors

of the Company is available on our website i.e. www.angelbroking.com.

None of the Directors of the Company or KMP or their relatives are in any way, concerned or interested in the resolution.

The Board recommends the said resolution to be passed as Special resolution to the shareholders.

By Order of the Board
For **Angel Broking Limited**

Naheed Patel
Company Secretary & Compliance Officer
Membership Number: A22506

Date: 29 May, 2021
Place: Mumbai

Details of Directors pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are given below. (For Agenda Number 3 and 4)

Name	Mr. Ketan Shah
Age	50 years
DIN	01765743
Designation	Non-Executive Director (proposed to be appointed as Executive Whole-time Director)
Date of Appointment as Director	11 May, 2018
Qualification	Bachelor's in Commerce
Expertise in Specific Functional Areas	Over 25 years of experience in the broking and financial service industry.
No. of shares held in the Company	31,680 equity shares
Directorship held in other listed entities	None
Last drawn remuneration (including sitting fees and commission) from the Company (up to 31 March, 2021)	Nil
Number of meetings attended from date of appointment up to 31 March, 2021	14
Membership / Chairmanship of Committees - Angel Broking Limited	Member of Nomination Remuneration Committee Member of Risk Management Committee Member of Audit Committee
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None

Directors' Report

To
The Members,
Angel Broking Limited

Your Directors are pleased to present the 25th Annual Report on the business and operations of Angel Broking Limited ('Company') together with the audited financial statements for the financial year ended 31 March, 2021.

1. FINANCIAL SUMMARY OF YOUR COMPANY:

A summary of the standalone and consolidated financial performance of your Company, for the financial year ended 31 March, 2021, is as under:

Amount (₹ in million)

Financial Highlights	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
(A) Total Income	12,897.43	7,427.79	12,989.82	7,547.14
(B) Finance Costs	396.33	488.29	389.34	488.59
(C) Fees and Commission Expense	3,629.78	2,304.40	3,629.78	2,304.40
(D) Total Net Income (D=A-B-C)	8,871.32	4,635.10	8,970.70	4,754.15
(E) Operating Expenses	4,715.29	3,263.95	4,675.43	3,357.31
(F) Earnings Before Depreciation, Amortisation and Tax (F=D-E)	4,156.03	1,371.15	4,295.27	1,396.84
(G) Depreciation, Amortisation and Impairment	174.24	201.50	183.60	209.17
(H) Profit Before Tax (H=F-G)	3,981.79	1,169.65	4,111.67	1,187.67
(I) Total Income Tax Expense	1,077.82	303.41	1,131.09	319.78
(J) Profit For The Year From Continuing Operations (J=H-I)	2,903.97	866.24	2,980.58	867.89
(K) Loss After Tax From Discontinued Operations	-	-	12.02	44.43
(L) Profit For The Year (L=J-K)	2,903.97	866.24	2,968.56	823.46
(M) Basic EPS (₹)	37.76	12.03	38.60	11.44
(N) Diluted EPS (₹)	37.49	12.03	38.32	11.44
(O) Opening Balance of Retained Earnings	3,824.46	3,194.72	3,929.97	3,358.22
(P) Closing Balance of Retained Earnings	6,296.77	3,824.46	6,460.15	3,929.97

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

As your Company celebrates its 25th year of incorporation, it has been a historic year as

- Your Company completed its maiden public offering of equity shares with their successful listing on the Indian Stock Exchanges on 05 October, 2020.
- Your Company achieved its best ever performance across all business and financial parameters. Your Company achieved its best ever ranking for active clients on NSE, during the year.
- On a standalone basis, your Company's total revenues increased by 73.6 Percent over the previous year to ₹ 12,897 million in FY

2020-21. Profit after tax increased by 235.2 Percent over the previous year to ₹ 2,904 million.

- On a consolidated basis, your Company's total revenues increased by 72.1 Percent over the previous year to ₹ 12,990 million in FY 2020-21, whilst profit after tax from continuing operations for FY 2020-21 increased by 243.4 Percent over the previous year to ₹ 2,981 million.

Your Directors express their heartfelt gratitude to all investors for being there with your Company in its growth journey.

3. DIVIDEND:

The Board of Directors ("Directors") of your Company have reviewed and approved the

Directors' Report (Contd.)

Dividend Distribution Policy ("Policy") in accordance with the terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") at its meetings held on 28 January, 2021 and 05 May, 2021. Further, pursuant to the requirement of Regulation 43A of the Listing Regulations, the Dividend Distribution Policy of your Company is appended as "Annexure I" to this Report and the same is also made available on the website of your Company. The same can be accessed at www.angelbroking.com.

The Dividend payout for the FY under review, is in accordance with your Company's Dividend Distribution Policy.

Your Board of Directors have declared and paid three (03) interim dividends during FY 2020-21.

Sr. No.	Date of the Board Meeting in which the Interim Dividend were declared	Dividend per share	Dividend paid as a percentage of the face value of equity share
1	07 July, 2020 through circular resolution	₹ 1.21	12.1 Percent
2	26 October, 2020	₹ 4.15	41.5 Percent
3	22 April, 2021	₹ 7.50	75.0 Percent

4. RESERVE & SURPLUS:

Your Directors have decided to retain the entire amount of profit under Retained Earnings. Accordingly, your Company has not transferred any amount to General Reserves for the year ended 31 March, 2021.

5. BRIEF DESCRIPTION OF YOUR COMPANY'S WORKING DURING THE YEAR:

Your Directors have the pleasure to inform you that your Company's strategy of transforming into a full-fledged digital, player focusing on deeper penetration into Tier II, III and beyond cities, millennials and Gen Z clients, coupled with simplified pricing model yielded significant positives in FY 2020-21.

- Ranked **4th** Fastest growing app in Finance Category, in terms of time spent, by App Annie

- Highest Annual Gross Client Addition: **2.4 million (+322 Percent YoY)**
- Highest Gross Client Addition in a month: **0.4 million in Mar'21**
- Highest Client Base: **4.1 million (+127 Percent YoY)**
- Highest ever NSE Active Clients: **1.6 million (+171 Percent YoY)**
- Best ever rank in NSE Active Clients: **4th (up 1 place from Mar'20)**
- Highest share in NSE Active Client Base: **8.3 Percent (+294bps YoY)**
- Highest ever Annual Number of Trades: **671 million (+149 Percent YoY)**
- Highest ever Annual Overall ADTO: **₹ 2.0 trillion (+380 Percent YoY)**
- Overall ADTO in Q4 FY 2020-21: **₹ 3.7 trillion (+545 Percent YoY)**
- Overall Equity Turnover Market Share at **16.0 Percent (+1,055bps YoY)** for FY 2020-21 grew by 3x over the previous year, Improved market share in all segments

Robust client addition during the year translated into expanding your company's market share in incremental demat accounts to 16.2 Percent for FY 2020-21 from 10.5 Percent for FY 2019-20.

The initial part of FY 2020-21 was a challenging period owing to the pandemic, however, strong and decisive measures implemented by the Government to revive the economy from the initial shock, helped the markets to stabilise by H1 FY 2020-21. As the economy gradually opened and businesses started to resume normalcy, markets buoyed very strongly to deliver one of the best performances in a decade. Your Company's fully digital model helped to reach out to a wider set of clients, thereby insulating the business and yielding positive results. Your Company's FY 2020-21 consolidated total income grew by 72.1 Percent YoY to ₹ 12,990 million against ₹ 7,547 million in FY 2019-20. This was a result of very strong growth in client base coupled with heightened client activity. During the year, your Company also provided ₹ 128 million towards an one-time event in the commodity broking segment owing to negative crude oil prices in

Directors' Report (Contd.)

April 2020. Further, your Company along with its subsidiary also settled some tax litigations of previous years, under the Vivaad se Vishwas scheme, which resulted into additional tax outgo of ₹ 83 million. Despite this, consolidated profit after tax from continuing operations was higher by 243.4 Percent YoY at ₹ 2,981 million in FY 2020-21 on the back of strong operating leverage. Surplus cash generated by your Company was utilised to grow its client funding book, which stood at ₹ 11,686 million as on 31 March, 2021 against ₹ 3,095 million as on 31 March, 2020. Your Company, with technologically advanced best-in-class product suite, most competitive pricing plan, aggressive client acquisition strategy and a healthy balance sheet, is well positioned to capture the growth opportunities, going forward.

6. IMPACT OF NOVEL COVID-19 ON THE BUSINESS:

In order to curtail the rapid spread of the novel Corona Virus (COVID-19), the Government of India announced a nationwide lockdown effective 25 March, 2020. Certain essential services, including those involved in Capital Market Operations, were exempt from the purview of the aforesaid lockdown. Angel Broking, being part of capital market operations, did not experience any disruption of its business activities due to the lockdown. However, in compliance to the various directives, appropriate measures were taken to equip a majority of the employees to work from home and only about 5 Percent - 7 Percent employees worked on-site, on extremely critical processes, which necessitated on-site presence.

In spite of the unprecedented situation, your Company has been successful in averting any potential adverse impact on the business and on the contrary has grown; and continues to outperform most of the industry peers. Most of your Company's costs are flexible; and have been managed prudently. In stark contrast to the general perception, this unprecedented crisis has hastened the adoption of digital processes and systems across the entire country and the industry.

Being a digital and technology driven organisation, your Company has adapted to the off-site and flexible working environment for its employees, adequately empowering them with equipments and secure web-enabled

tools to effectively perform their roles and responsibilities. Your Company has also instituted various performance evaluation tools, which specifically help measure the performance of employees, working remotely. Your Company intends to continue the policy of work from home / work from anywhere, for a large section of its employees, in the future.

7. LISTING OF EQUITY SHARES:

During the year, your Company made an Initial Public Offering (IPO), of 19,607,835 equity shares of ₹ 10 each at a price of ₹ 306 per equity share (including a Share Premium of ₹ 296 per equity share), comprising of a fresh issue of 9,803,921 equity shares and an offer for sale of 9,803,914 equity shares, by the selling shareholders. The issue received an overwhelming response from investors, having been oversubscribed by 3.94x.

Total Proceeds received by your Company pursuant to the IPO aggregated to ₹ 6,000 million.

The equity shares of your Company were listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) w.e.f. 05 October, 2020.

8. LISTING FEES:

Your Company has paid the requisite Annual Listing Fees to National Stock Exchange of India Limited (**Symbol: ANGELBRKG**) and BSE Limited (**Scrip Code: 543235**), where its securities are listed.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013 the Board of Directors of your Company, to the best of their knowledge, belief, ability and explanations obtained by them, confirm that:

- a) in the preparation of annual financial statements for the financial year ended 31 March, 2021, the applicable accounting standards have been followed; and there are no material departures from prescribed accounting standards;
- b) Your Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true

Directors' Report (Contd.)

and fair view of the state of affairs of your Company, at the end of the financial year; and of the profit and loss of your Company, for that period;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of your Company and for preventing and detecting fraud; and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) the Directors, have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of the business of your Company during the financial year.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY:

There were no material changes and commitments affecting the financial position of your Company between the end of FY 2020-21 and the date of this report, which could have an impact on your Company's operations in the future or its status as a "Going Concern".

12. CREDIT RATING:

The details of credit rating obtained from CRISIL during the financial year are as under:

Rating Agency	Rating Type	Nature of Facility	External Credit Rating
CRISIL	Long Term Rating	Bank Debt	CRISIL A+/Stable
CRISIL	Short Term Rating	Bank Debt	CRISIL A1+
CRISIL	Short Term Rating	Commercial Paper	CRISIL A1+

13. AWARDS AND RECOGNITIONS:

Your Company received various awards and recognitions during the year. Details of the same form part of this report, on page numbers 48-49.

14. ANNUAL RETURN:

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return can be accessed on our website www.angelbroking.com.

15. APPOINTMENT, RE-DESIGNATION AND CESSATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

There was no change on the composition of the Board during FY 2020-21. However, your Company had on 17 April, 2021 informed the stock exchanges about the sad demise of Mr. Vinay Agrawal (DIN: 01773822), the Whole-time Director and Chief Executive Officer of your Company.

The Board of Directors appointed Mr. Narayan Gangadhar, as the Chief Executive Officer (CEO) and Key Managerial Personnel of your Company with effect from 26 April, 2021, as per the provisions of Section 203 of the Companies Act, 2013, read with its applicable Rules and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to SEBI Circular CIR/CFD/CMD/4/2015 dated 09 September, 2015. Mr. Narayan Gangadhar's brief profile is as under:

Mr. Narayan Gangadhar has more than two decades of global experience, leading various technology businesses at top tier Silicon Valley companies, such as Google, Microsoft, Amazon and Uber. He brings a lot of operating experience having lead highly disruptive businesses, by driving innovation in product, technology, capability building and process automation.

Amongst his prior stints, Mr. Gangadhar was Head of Technology at Uber, where he led Uber's core

Directors' Report (Contd.)

infrastructure, machine learning, data platform and data science teams of over 650+ employees across the globe. During his tenure, Uber scaled to over 400+ cities globally completing over 14 million+ trips daily. At Google, Mr. Gangadhar was based out of the Company's Silicon Valley office, where he led large product and engineering teams, to launch the first set of Google's cloud infrastructure services, such as Google Compute Engine, Google Cloud SQL and Google Container Engines. He also led large teams responsible for developing the overall application infrastructure, which power productivity apps like Google Drive, Google Docs, etc.

Prior to Google, Mr. Gangadhar was the General Manager and Director at Amazon Web Services (AWS), where he helped develop Amazon's Cloud Database business. Mr. Gangadhar was most recently the Founder & CEO of a robotics start-up in San Francisco, which develops automated urban mobility solutions. He has also served on the board of technology companies such as Madison Logic, Digital Asset and advises many early-stage start-ups, looking to advance their teams and platforms, positioning them for success. He has joined your Company from Ola Technologies.

Mr. Gangadhar is graduate in Computer Science from the University of Mumbai; and has acquired a Master's degree in Science (MS) also in Computer Science from the Worcester Polytechnic Institute, Boston, USA.

RE-DESIGNATION:

Your Directors propose the change in designation of Mr. Ketan Shah from Non-Executive Director to Executive Whole-time Director, subject to the approval of the shareholders, at the ensuing Annual General Meeting of the Company, for a period of 5 years, starting from 05 May, 2021 till 04 May, 2026.

16. RETIREMENT BY ROTATION:

In terms of Section 152 of the Companies Act, 2013, Mr. Ketan Shah (DIN: 01765743) would retire by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible for re-appointment. has offered himself for re-appointment for a period of 5 (five) years, starting from 05 May, 2021 till 04 May, 2026. Your Directors

recommend his appointment for approval of the shareholders, in the ensuing Annual General Meeting of your Company.

17. DECLARATION OF INDEPENDENT DIRECTORS:

All the Independent Directors of your Company have submitted their declarations of independence, as required, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence, as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations; and are not disqualified from continuing as Independent Directors of your Company.

None of the Independent Non-Executive Directors held any equity shares of your Company during the financial year ended 31 March, 2021. None of the Directors had any relationships inter-se.

Further, all the Independent Directors of your Company have confirmed their registration / renewal of registration, on Independent Directors' Databank.

18. FAMILIARISATION PROGRAMMES:

Your Company has familiarised the Independent Directors, with regard to their roles, rights, responsibilities, nature of the industry in which your Company operates, the business model of your Company etc.

The Familiarisation Programme was imparted to the Independent Directors during the meetings of the Board of Directors.

The Familiarisation Policy for the Independent Directors is uploaded on the website of your Company, and is accessible at www.angelbroking.com.

19. CODE OF CONDUCT:

Your Company has in place, a Code of Conduct for the Board of Directors and Senior management personnel, which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior management personnel of your Company have complied with the code as mentioned hereinabove.

Directors' Report (Contd.)

The Directors and Senior management personnel have affirmed compliance with the Code of Conduct applicable to them, for the financial year ended 31 March, 2021. The said code is available on the website of your Company at www.angelbroking.com.

20. RECONSTITUTION OF COMMITTEES:

Due to the sad demise of Mr. Vinay Agrawal on 17 April, 2021, the following Committees were reconstituted, by the Board of Directors on 05 May, 2021.

- Audit Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Stakeholders Relationship Committee

MEETINGS OF THE BOARD AND ITS COMMITTEES:

The Board of Directors of your Company met Four (4) times during FY 2020-21; i.e. on 14 May, 2020, 07 August, 2020, 26 October, 2020 and 28 January, 2021.

Committee Meetings:

Sr. No.	Name of the Committee	No. of meetings held during FY 2020-21
1	Audit Committee	4
2	Nomination and Remuneration Committee	4
3	Corporate Social Responsibility Committee	1
4	Stakeholders Relationship Committee	1
5	Risk Management Committee	1

➤ Audit Committee:

During the year, the Audit Committee met four (4) times, in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013,

The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015. The Committee met during the year under review and discussed on various matters including financials, audit reports and appointment of auditors.

During the period under review, the Board of Directors of your Company accepted all the recommendations of the Audit Committee. The terms of reference of Audit Committee and details of Committee meeting are provided in the Corporate Governance Report.

Composition of Audit Committee as on 31 March, 2021 was as below:-

Sr. No.	Name	Designation	Position Held
1	Mr. Uday Sankar Roy	Non-Executive Independent Director	Chairperson
2	Mr. Kamalji Sahay	Non-Executive Independent Director	Member
3	Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	Member

Due to the reconstitution on 05 May, 2021, the composition of the Committee as on date of this report is as follows:

Sr. No.	Name	Designation	Position Held
1	Mr. Uday Sankar Roy	Non-Executive Independent Director	Chairperson
2	Mr. Kamalji Sahay	Non-Executive Independent Director	Member
3	Mr. Ketan Shah	Whole-time Director	Member

Directors' Report (Contd.)

➤ Nomination and Remuneration Committee:

During the year, the Nomination and Remuneration Committee met four (4) times, in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013,

The role, terms of reference and powers of the Nomination and Remuneration Committee, are in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been provided in the Corporate Governance Report. The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy in compliance with the aforesaid provisions, for selection, appointment and ascertainment of the remuneration of Directors, Key Managerial Personnel and senior management personnel of your Company. The said policy is stated in the Corporate Governance Report of your Company. The details of Committee meetings are provided in the Corporate Governance Report.

Composition of Nomination and Remuneration Committee as on 31 March, 2021 was as below:-

Sr. No.	Name	Designation	Position Held
1	Mr. Uday Sankar Roy	Non-Executive Independent Director	Chair-person
2	Mr. Kamalji Sahay	Non-Executive Independent Director	Member
3	Ms. Anisha Motwani	Non-Executive Independent Director	Member

Sr. No.	Name	Designation	Position Held
4	Mr. Dinesh D. Thakkar	Chairman and Managing Director	Member
5	Mr. Ketan Shah	*Non-Executive Non Independent Director	Member

*Re-designated as Executive Director w.e.f. 05 May, 2021

➤ Corporate Social Responsibility Committee:

During the year 2020-21, the Corporate Social Responsibility Committee met one (1) time, in compliance with the provisions of the Companies Act, 2013.

The role, terms of reference of the Corporate Social Responsibility Committee are in conformity with the requirements of the Companies Act, 2013 and the same has been provided in the Corporate Governance Report.

Composition of Corporate Social Responsibility Committee as on 31 March, 2021 was as below:-

Sr. No.	Name	Designation	Position Held
1	Mr. Dinesh D. Thakkar	Chairman & Managing Director	Chair-person
2	Mr. Kamalji Sahay	Non-Executive - Independent Director	Member
3	Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	Member

Due to the reconstitution on 05 May, 2021, the composition of the Committee as on date of this report is as follows:

Directors' Report (Contd.)

Sr. No.	Name	Designation	Position Held
1	Mr. Dinesh D. Thakkar	Chairman & Managing Director	Chair-person
2	Mr. Kamalji Sahay	Non-Executive Independent Director	Member
3	Mr. Ketan Shah	Whole-time Director	Member

➤ **Stakeholders Relationship Committee:**

During the year, the Stakeholders Relationship Committee met one (1) time, in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013,

The role, terms of reference of the Stakeholders Relationship Committee are in conformity with the requirements of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been provided in the Corporate Governance Report.

During the year 2020-21, all the complaints received by your Company via the SCORES platform of The Securities and Exchange Board of India (SEBI) and at the Registrars and Transfer Agents (RTA) were appropriately redressed.

Composition of the Stakeholders Relationship Committee as on 31 March, 2021 was as below:-

Sr. No.	Name	Designation	Position Held
1	Mr. Kamalji Sahay	Non-Executive - Independent Director	Chair-person
2	Ms. Anisha Motwani	Non-Executive - Independent Director	Member

Sr. No.	Name	Designation	Position Held
3	Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	Member

Due to the reconstitution on 05 May, 2021, the composition of the Committee as on date of this report is as follows:

Sr. No.	Name	Designation	Position Held
1	Mr. Kamalji Sahay	Non-Executive - Independent Director	Chair-person
2	Ms. Anisha Motwani	Non-Executive - Independent Director	Member
3	Mr. Ketan Shah	Whole-time Director	Member

➤ **Risk Management Committee:**

During the year, the Risk Management Committee met One (1) time, in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013,

The role, terms of reference of the Risk Management Committee are in conformity with the requirements of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been provided in the Corporate Governance Report.

Composition of the Risk Management Committee as on 31 March, 2021 was as below:

Sr. No.	Name	Designation	Position Held
1	Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	Chair-person

Directors' Report (Contd.)

Sr. No.	Name	Designation	Position Held
2	Mr. Dinesh D. Thakkar	Chairman and Managing Director	Chair-person
3	Mr. Ketan Shah	Non-Executive Director	Member
4	Mr. Uday Sankar Roy	Non-Executive Independent Director	Member

Due to the reconstitution on 05 May, 2021, the composition of the Committee as on date of this report is as follows:

Sr. No.	Name	Designation	Position Held
1	Mr. Ketan Shah	Whole-time Director	Chair-person
2	Mr. Dinesh D. Thakkar	Chairman and Managing Director	Member
3	Mr. Uday Sankar Roy	Non-Executive Independent Director	Member

21. AUDITORS AND COMMENTS ON AUDITORS REPORT:

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder, the members at their Twenty First (21st) Annual General Meeting (AGM) of your Company held on 11 September, 2017, approved the appointment of M/s. S. R. Batliboi & Co. LLP (Firm Registration Number - 301003E/E300005) as the Statutory Auditors of your Company, for a period of 5 (five) years i.e. till the conclusion of your Company's Twenty Sixth (26th) Annual General Meeting for FY 2021-22.

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 07 May, 2018, ratification of appointment of auditors is not required, when auditors are appointed for a period of five years.

The Statutory Auditors have confirmed that they satisfy the criteria of independence, as required under the provisions of the Companies Act, 2013.

22. SUBSIDIARY COMPANIES:

As on 31 March, 2021, your Company had 5 (five) direct subsidiaries. During the financial year, your Directors have reviewed the affairs of the subsidiaries. The consolidated financial statements of your Company are prepared in accordance with Section 129(3) of the Companies Act, 2013; and forms part of this Annual Report.

A statement containing the salient features of the financial statements of the subsidiaries, in the prescribed format AOC-1, is appended as "Annexure II" to the Directors' Report. The statement also provides the details of performance and financial positions of each of the subsidiaries.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered with your Company, during the financial year were on arm's length basis and were in the ordinary course of the business. In terms of the Act, there were no materially significant related party transactions entered into by your Company with its Promoters, Directors, Key Managerial Personnel and its wholly owned subsidiary companies, or other designated persons, which may have a potential conflict with the interest of your Company at large, except as stated in the Financial Statements / Directors' Report.

Hence, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company. Member may refer to note no. 39 and 40 to the standalone and consolidated financial statements respectively, which set out related party disclosures pursuant to IND AS-24.

As per the Policy on Related Party Transactions, as approved by the Board of Directors of your Company, during the year, your Company has entered into related party transactions based upon the omnibus approval granted by the Board of Directors on the recommendation of the Audit Committee of your Company. On quarterly basis, the Audit Committee reviews such transactions,

Directors' Report (Contd.)

for which such omnibus approval was given. The Policy on Related Party Transactions was revised during the year in view of amendments in applicable rules.

The Policy on Related Party Transactions as amended and approved by the Board of Directors, is accessible on your Company's website at www.angelbroking.com

24. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY YOUR COMPANY, ON ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

Your Company strives to be a socially responsible Company and strongly believes in development, which is beneficial for the society at large, as a part of its Corporate Social Responsibility ("CSR") initiatives. Through the CSR program, your Company sets the goal of reaching a balance that integrates human, environmental and community resources. By means of integrating and embedding CSR into its business operations and participating proactively in CSR initiatives, your Company intends to contribute continuously to global sustainable development efforts.

As per the Companies Act, 2013, companies are required to spend at least 2 Percent of their average net profits for three immediately preceding financial years.

Accordingly, your Company has spent ₹ 26.1 million, towards the CSR activities during FY 2020-21.

Your Company has undertaken CSR activities for imparting financial literacy among millennials, with active assistance from Samhita Social Ventures' implementation arm Collective Good Foundation, Mumbai, for an amount of ₹ 26.1 million.

Details about the CSR policy are available on our website www.angelbroking.com. The report on the CSR activities of your Company is appended as "Annexure III" to the Directors' Report.

25. PARTICULARS OF EMPLOYEES:

The information under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year

Name	Ratio to median remuneration	% increase in remuneration in the financial year
Executive Directors		
Dinesh D. Thakkar	113	25%
Vinay Agarwal	80	10%
Non-Executive Director		
Ketan Shah	38	8%
Chief Financial Officer		
Vineet Agrawal	45	8%
Company Secretary		
Naheed Patel	7	13%

- Percentage increase in the median remuneration of employees in the financial year: 8.1 Percent
- The number of permanent employees on the rolls of your Company as at 31 March, 2021: 2,908
- average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: None
- It is affirmed that the remuneration paid is as per the remuneration policy of the Company. Yes

The statement containing particulars of remuneration of employees as required under Section 197(12) of the Act, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel)

Directors' Report (Contd.)

Rules, 2014, is available on the website www.angelbroking.com. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid annexure. Any Member desirous of obtaining a copy of the said annexure may write to the Company Secretary or email at investors@angelbroking.com.

26. REPORT ON CORPORATE GOVERNANCE:

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed Report on Corporate Governance is included in the Annual Report.

M/s. MMJB & Associates LLP, Company Secretaries, have certified your Company's compliance requirements in respect of Corporate Governance, in terms of Regulation 34 of the Listing Regulations; and their Compliance Certificate is annexed to the Report on Corporate Governance.

27. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Report.

28. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, M/s. MMJB Associates & Co., Practicing Company Secretaries, were appointed as Secretarial Auditor in place of M/s Alwyn Jay & Co., on 28 January, 2021, to undertake the secretarial audit of your Company, for FY 2020-21.

The report of the Secretarial Auditor, in the prescribed Form MR-3 is annexed to this report as "Annexure IV".

The Secretarial Auditors' Report for FY 2020-21 does not contain any qualification, reservation or adverse remark, except that there was inadvertent delay in providing information to designated depository as per SEBI circular

dated 09 September, 2020, on system driven disclosures.

Your Company does not have any material subsidiary. Therefore, the provisions relating to the Secretarial Audit of material subsidiary, as mentioned in Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, do not apply to your Company.

29. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Your Company has adopted a policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under section 178 (3) of the Companies Act, 2013.

30. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year, there were no significant and/or material orders passed by the regulators, courts or tribunals, impacting the going concern status and future operations of your Company.

31. BOARD EVALUATION:

The Nomination and Remuneration Policy of your Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

The Board of Directors formally assess their own performance based on parameters which, inter-alia, include performance of the Board on deciding long term strategies, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc.

The parameters for performance evaluation of your Directors include contributions made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management etc.

The Chairperson of the respective Committees based on feedback received from the Committee members on the outcome of performance evaluation exercise of the Committee(s), share their report to the Board of Directors. The

Directors' Report (Contd.)

Independent Directors, at their separate meeting, review the performance of non-independent directors and the Board as a whole.

Based on the outcome of the performance evaluation exercise, areas for further development are identified for the Board to engage itself with; and the same would be acted upon.

The details of the evaluation process are set out in the Corporate Governance Report, which forms a part of this Annual Report.

The Board Evaluation policy is available in the public domain i.e. on the website of your Company at www.angelbroking.com

32. CHANGES IN SHARE CAPITAL:

Your Company had made following allotments during FY 2020-21:

Date	No. of shares	Remarks
30 September, 2020	9,803,921	Fully paid-up equity shares were allotted under the Initial Public Offering (IPO)
18 December, 2020	5,060	Fresh allotment of fully paid up equity shares was made to an employee of a subsidiary company under ESOP Plan 2018
05 January, 2021	8,096	Fresh allotment of fully paid up equity shares was made to an employee of a subsidiary company under ESOP Plan 2018
02 March, 2021	14,427	Fresh allotment of fully paid up equity shares was made to an employee of your Company under ESOP Plan 2018

The authorised share capital of your Company as on 31 March, 2021 was ₹ 1,000,000,000 (Rupees One Billion)

The paid up share capital of your Company as on 31 March, 2021 was ₹ 818,265,070 (Rupees Eight hundred eighteen million two hundred and sixty five thousand and seventy only).

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS, UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are as set out in the notes to the accompanying financial statements of your Company.

34. DEPOSITS:

Your Company has not accepted any fixed deposits; and as such, no amount of principal or interest was outstanding as of its balance sheet date.

35. REPORTING OF FRAUD:

There are no frauds on or by your Company, which are required to be reported by the Statutory Auditors of your Company.

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Your Company has constituted its Internal Complaints and the Appeals Committees, set up to redress complaints received in regards to sexual harassment at workplace.

The constitution of the Internal Complaints and the Appeals Committees as on date of this report are as follows:

Internal Complaints Committee:

Sr. No.	Name	Designation	Position Held
1	Ms. Sulochana Khanka	Senior Manager	Chair-person / Presiding Officer
2	Ms. Naheed Patel	Company Secretary	Member
3	Mr. Nilesh Gokral	Chief Operating Officer	Member

Directors' Report (Contd.)

Sr. No.	Name	Designation	Position Held
4	Mr. Rajiv Kejriwal	Assistant Vice President	Member
5	Ms. Shabnam Kazi	External Member	Member

Appeals Committee:

Sr. No.	Name	Designation	Position Held
1	Ms. Camillia Sequeira	Vice President	Chair-person / Presiding Officer
2	Ms. Pramita Shetty	Deputy Vice President	Member
3	Mr. Bhavin Parekh	Senior Vice President	Member
4	Mr. Ketan Shah	Chief Strategic Officer	Member
5	Pratibha Natthani	External Member	Member

All employees (permanent, contractual, temporary and trainees) are covered under this policy.

Following are the details of the complaints received by your Company during FY 2020-21:

Sr. No.	Particulars	Number
1	No. of complaints received	0
2	No. of complaints disposed of	0
3	No. of cases pending for more than 90 days	0

37. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177(10) of the Companies Act, 2013 ("Act") and Regulations 22 of the Listing Regulations your Company has adopted a Vigil Mechanism Framework ("Framework"), under which the Whistle Blower Investigation Committee ("the Committee") has been set up. The objective

of the Framework is to establish a redressal forum, which addresses all concerns raised on questionable practices and through which the Directors and employees can raise actual or suspected violations.

The mechanism framed by your Company is in compliance with requirement of the Act and available on the website www.angelbroking.com.

38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Information on Conservation of energy as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is not applicable to the present activities of your Company and hence no annexure forms part of this report.

(B) Technology Absorption: The management keeps itself abreast of the technological advancements in the industry and has adopted best in class transaction, billing and accounting systems alongwith robust risk management solutions.

(C) Foreign Exchange Earnings and Outgo for the period under review was as under:

1. Foreign Exchange Earning: Nil
2. Outgo - ₹ 33.67 million

39. INTERNAL FINANCIAL CONTROL:

The Board of Directors of your Company have adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to your Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

40. ANGEL BROKING EMPLOYEE STOCK OPTION PLAN 2018 AND ANGEL BROKING EMPLOYEE LONG TERM INCENTIVE PLAN 2021:

At the Extra-Ordinary General Meeting of your Company held on 19 April, 2018, the members approved the adoption of Angel Broking Employee Stock Option Plan 2018 ("ESOP Plan 2018") with a view to attract and retain critical

Directors' Report (Contd.)

human resources working with your Company, by way of rewarding their performance and to motivate them to contribute to the overall growth and profitability of your Company.

Your Company had made an application to both the stock exchanges for seeking their in-principle approval on 06 November, 2020, for issue and allotment of 2,001,422 equity shares of the face value of ₹10 each, under the ESOP Plan 2018, Your Company was granted the required approvals on 13 November, 2020 and 10 December, 2020 by National Stock Exchange of India (NSE) and BSE Limited (BSE) respectively, for issuance and allotment of 2,001,422 equity shares of ₹ 10 each.

The Board of Directors, at its meeting held on 28 January, 2021 approved the grant of stock options to the employees of your Company & its subsidiaries, under the Angel Broking Employee Long Term Incentive Plan 2021 ("**LTI Plan 2021**"), based on the recommendations of the Nomination and Remuneration Committee; and subject to the approval of the shareholders. The shareholders, vide a special resolution passed on 05 March, 2021 approved the LTI Plan 2021 through Postal Ballot. The LTI Plan 2021 is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ('the SBEB Regulations').

Further, the Nomination and Remuneration Committee approved grant of 705,504 stock options to eligible employees under the LTI Plan 2021 at their meeting held on 30 March, 2021.

Your Company had granted, to Late Mr. Vinay Agrawal, erstwhile Whole-time Director and CEO, 444,100 stock options under **ESOP Plan 2018**. Another 81,707 stock options were also granted to him under the **LTI Plan 2021**. Of the aforesaid, 310,870 stock options granted under the ESOP Plan 2018 and 81,707 stock options granted under the LTI Plan 2021, were unvested at the time of his demise on 17 April, 2021.

Pursuant to *Article 11.4 and Article 14.1 of the ESOP Plan 2018 and Clause 14.1 of the LTI Plan 2021*, all the unvested stock options granted to Late Mr. Vinay Agrawal, were transferred and vested to his legal heir, Mrs. Juhi Vinay Agrawal (spouse of late Mr. Vinay Agrawal), as per the applicable clauses of the respective plans, after his demise.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company had approved the aforesaid immediate vesting of stock options, at their meeting held on 22 April, 2021. The vesting under the LTI Plan 2021 is subject to the receipt of in-principle approvals from the stock exchanges.

During FY 2020-21 your Directors have granted Nil stock options under ESOP Plan 2018 and 705,504 stock options under LTI Plan 2021, to eligible employees of your Company; and its subsidiaries, 1,531,247 stock options are in force, under the ESOP Plan 2018 and 705,504 stock options are in force under the LTI Plan 2021. Details of these are appended as "*Annexure V*" to the Directors' Report.

41. BUSINESS RISK MANAGEMENT:

Risk Management plays a key role in business strategy and planning discussions. The same has been extensively covered in the Management Discussion and Analysis on page number 69 of the Annual Report.

42. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

43. CEO and CFO CERTIFICATION:

As required under Regulation 17(8) of the SEBI Listing Regulations, the CEO and CFO of your Company have certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the financial year ended 31 March, 2021. Their Certificate is annexed to this Directors' Report.

44. APPRECIATION AND ACKNOWLEDGEMENTS:

Mr. Vinay Agrawal, erstwhile Whole-time Director and Chief Executive Officer left for his heavenly abode on 17 April, 2021, He has left an indelible mark on Angel Broking. We believe that his vision will always guide the Company and are

Directors' Report (Contd.)

determined to carry forward his legacy while staying true to his vision.

The Directors place on record their deep appreciation of his vision, leadership, contributions and express a deep gratitude to his influential spirit touching the lives of people he was associated with, as a human being and mentor.

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the investors, clients, lenders,

regulatory and government authorities and members during the year under review.

Your Directors also wish to place on record their deep sense of acknowledgment and gratitude for the devoted and efficient services rendered by each and every employee of the Angel Family, without whose whole-hearted efforts, this historic performance would not have been possible.

Your Directors look forward to the long-term future of your Company, with confidence.

For and on behalf of the Board
Angel Broking Limited

Dinesh D. Thakkar
Chairman & Managing Director
(DIN: 00004382)

Place: Mumbai
Date: 05 May, 2021

Annexure I

DIVIDEND DISTRIBUTION POLICY

(Regulation 43A of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements), 2015)

Duly approved by Board of Directors of the Company through meeting held on 05 May, 2021

PREAMBLE:

This Policy is formulated in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 introduced on 08 July, 2016 vide Notification No. SEBI/LADNRO/GN/2016-17/008.

Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires top one thousand listed companies (by market capitalisation as on 31 March of every FY) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website. However, the same is not notified yet.

INTRODUCTION:

Angel Broking Limited (“**the Company**”), has had a consistent record of returning surplus cash to its shareholders through regular dividend payouts. Regular dividend, in the recent past has consisted of at least three interim dividends in each of the financial years.

While adhering to this core philosophy of optimizing its dividend payout, the Company, is hereby updating its Dividend Distribution Policy. This policy documents the guidelines on declaration/recommendation of dividends and sets out key considerations for arriving at the decision to declare/recommend dividend(s). The Board of Directors of the Company will have the flexibility to determine the quantum of dividend, to be declared / recommended, based on considerations laid out in the policy and other relevant aspects.

OBJECTIVE:

The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company, while deciding on the declaration/recommendation of Dividend from time to time, to strike a balance between the dual objectives of rewarding shareholders and ploughing back earnings to support sustained growth of the Company.

EFFECTIVE DATE:

This policy was first approved and adopted by the Board of Directors of the Company on 16 April, 2018

and was last amended by the Board of Directors on 28 January, 2021. The Policy is being further amended w.e.f. 05 May, 2021 and will be effective from the same date.

DEFINITIONS:

In this policy, unless the context otherwise requires, the terms defined herein shall bear the meanings assigned to them below, and their cognate expressions shall be construed accordingly.

“**Board**” or “**Board of Directors**” shall mean Board of Directors of the Company.

“**Companies Act or Act**” shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

“**Company**” shall mean Angel Broking Limited

“**Dividend**” shall mean Dividend as defined under the Companies Act, 2013

“**Policy**” means this Dividend Distribution Policy.

“**SEBI**” means the Securities and Exchange Board of India.

“**SEBI LODR**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Words and phrases used in this Policy and not defined herein shall derive their meaning from the Applicable Law.

“**SEBI Regulations**” means the regulations made by SEBI in accordance with the Securities and Exchange Board of India Act, 1992 (the SEBI Act).

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/ or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

APPROVAL PROCESS AND CRITERIA TO BE CONSIDERED FOR DIVIDEND PAYOUT:

In distributing profits of the Company among its shareholders, the Board of Directors will attempt

Annexure I (Contd.)

to balance shareholders need for a reasonable and predictable return on their investment with the Company's requirement to retain enough capital, for longer term sustainable growth.

The Company shall comply with relevant statutory provisions under the Companies Act, 2013 and Companies (Declaration and Payment of Dividend), Rules, 2014., before taking any appropriate decision on declaration / recommendation of dividend and transfer such isease of profits for the financial year, as it may deem fit, to its reserves.

The Board of Directors of the Company would further take into account following aspects, including financial parameters, while deciding on the proposal for dividend:

1. Shareholder expectations
2. Financial performance including profit for the year, profitability and other key financial metrics, including outlook over the short to medium term;
3. Current and future capital/liquidity requirements, as well as extent of borrowings;
4. Accumulated reserves
5. Investments for business expansion plans and growth of the Company including
 - a. Inorganic growth opportunities, through acquisition / mergers / demergers;
 - b. Organically expanding or upgrading of existing businesses; and
 - c. Investments in new businesses;
6. Stability of the dividend pay-out ratio;
7. Interim dividend paid, if any;
8. Auditors' qualifications pertaining to the statement of accounts, if any;
9. Likelihood of crystallisation of any contingent liabilities, if any;
10. Dividend /coupon payments for non-equity capital instruments if any, which need to be made;
11. Applicable regulatory requirements; and
12. Other factors and / or material events which may require consideration.

The decision for declaration/recommendation of dividend(s) would also be subject to consideration of other relevant external and internal factors, including, for example:

- External factors viz. domestic and global economic situation, Government policies, capital markets and tax implications including applicability and rate of dividend distribution tax;
- Internal factors like shareholder expectations, including institutional and individual shareholders.

The decision regarding dividend shall be taken by the Board at its meeting or by any Committee of the Board or by way of a Resolution passed by circulation. Final dividend, if any, shall be paid only after its approval, by the shareholders, at an Annual General Meeting (AGM) of the Company. Shareholders' approval is not required, for payment of interim dividend.

After giving due consideration to the aforementioned factors, the Board will endeavor to maintain a quarterly interim dividend pay-out; and if prudent, a final dividend, aggregating to at least 35 Ise of Profit After Tax (PAT), in every financial year, on a standalone/ consolidated basis. However, the Board may amend the pay-out, whenever considered appropriate by it, keeping in mind the aforesaid factors, having a bearing on the dividend pay-out decision.

UTILISATION OF RETAINED EARNINGS:

The Company would utilise the retained earnings for:

1. General corporate purposes, including organic and inorganic growth;
2. Investments in subsidiary and/or appropriations / drawdowns as per the regulatory framework;
3. Product development and technological enhancements in order to grow the business;
4. Capital expenditure by way of creating additional capacity / infrastructure;
5. Any other business requirement;
6. Any other permitted usage as per the Companies Act, 2013.

The Board may decide to employ retained earnings in meeting the Company's future growth plans, other strategic purposes and/or distribution to shareholders, subject to applicable laws.

Annexure I (Contd.)

PARAMETERS FOR VARIOUS CLASS OF SHARES:

Currently, the Company has only one class of shares viz. equity. In the absence of any other class of equity shares and/or equity shares with differential voting rights, the entire distributable profit for the purpose of declaration/recommendation of dividend will be considered for the existing class of equity shares only.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND:

Due to some unconceivable circumstances, the Company may not distribute a dividend or may distribute a reduced quantum of dividend. Such circumstances which may include but are not restricted to, adverse market conditions and business uncertainty, absence or inadequacy of profits earned during the financial year, inadequacy of cash balance, higher than envisaged capital expenditure / growth investment, imposition of any regulatory restriction placed on the Company on declaration/recommendation of dividend. The Board of Directors of the Company may opine that it would be prudent to conserve capital for growth or other exigencies, as per the assessment of the Board, and hence dividend may not be declared/recommended or reduced dividend may be declared/recommended.

There may also be obligations that the Company could undertake under the terms of preference shares or other debt capital instruments, as and when the Company raises capital through this medium, pursuant to applicable laws which might prohibit the Company from declaring / recommending dividend in certain circumstances.

The Board may declare/recommend higher dividends in any form, including special dividend, subject to applicable laws, if the capital and reserves position supports a higher distribution to the shareholders.

CONFLICT IN POLICY:

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

DISCLOSURE OF POLICY:

As per the SEBI Regulations, the Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website, www.angelbroking.com.

REVIEW:

The Policy shall be reviewed periodically by the senior management, to take into account the national and global economic conditions, Company's growth and investment plans and financial position, etc. and in accordance with any regulatory amendments.

AMENDMENTS:

Any subsequent amendment / modification in the Companies Act, 2013, SEBI regulations and / or other applicable laws in this regard shall automatically apply to this Policy.

The revision/ amendment to the Policy, if any, shall be subject to the approval of the Board, if and when practical difficulties are encountered.

Annexure II

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1)

Statement containing salient features of the financial statement of subsidiaries/ associate companies / joint Ventures

Part "A": Subsidiaries

(in million)

Sr. No.	Name of the subsidiary	Angel Fincap Private Limited	Angel Financial Advisors Private Limited	Angel Securities Limited	Mimansa Software Systems Private Limited	Angel Digitech Services Private Limited*	
		Reporting period	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21
		Reporting currency	₹	₹	₹	₹	₹
1.	Share Capital	55.16	250.00	55.00	0.10	125.00	
2.	Other Equity	778.06	47.87	55.28	23.12	(239.13)	
3.	Total Assets	1,002.05	308.73	117.07	26.22	149.23	
4.	Total Liabilities ¹	168.83	10.86	6.79	3.00	263.36	
5.	Investments	1.23	25.85	4.41	23.91	0.00	
6.	Turnover	84.53	52.80	1.06	9.60	20.60	
7.	Profit / (Loss) before taxation	39.35	11.20	3.62	3.67	7.36	
8.	Provision for Taxation	(9.85)	(3.26)	(7.65)	(0.92)	(0.11)	
9.	Profit / (Loss) after taxation	29.50	7.94	(4.04)	2.75	(6.35) ²	
10.	Proposed Dividend ³	0.00	0.00	0.00	0.00	0.00	
11.	Percent of Shareholding	100 Percent	100 Percent	100 Percent	100 Percent	100 Percent	

* Formerly known as Angel Wellness Private Limited

Note: 1: Total Liabilities excludes share capital and other equity

2: Includes loss from discontinued operations of ₹ 13.60 million

3: No final dividend proposed

Annexure II (Contd.)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - Not Applicable.

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the Company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Networth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board
Angel Broking Limited

Dinesh D. Thakkar
 Chairman & Managing Director
 (DIN: 00004382)

Date: 05 May, 2021
 Place: Mumbai

Annexure III

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

We strive to be a socially responsible Company and strongly believe in development which is beneficial for the society at large. Through the CSR program, the Company sets the goal of reaching a global balance that integrates human, environmental and community resources. By means of integrating and embedding CSR into its business operation and participating proactively in CSR initiatives, the Company intends to contribute continuously to the global sustainable development.

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

2. Composition of CSR Committee as on 31 March, 2021:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dinesh D. Thakkar	Chairperson - Chairman & Managing Director	1	1
2	Mr. Kamalji Sahay	Member - Non-Executive Non-Independent Director	1	1
3	Mr. Vinay Agrawal*	Member - Executive-Whole-time Director	1	-

*due to sad demise of Mr. Vinay Agrawal, the Committee was reconstituted on 05 May, 2021 and Mr. Ketan Shah was appointed as member in the CSR Committee.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

The web-link is as follows:

<https://www.angelbroking.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

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

Sl. No.	FY	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the Company as per section 135(5): ₹ 1300.59 million

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 26.01 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

Annexure III (Contd.)

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

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 26.10 million

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

Total Amount Spent for the FY	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL					

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - through Implementing Agency	
				State	District						Name	CSR Registration number
Non Applicable												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(₹ in million)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Imparting Financial literacy Programme among millennials	ii	Yes	Maharashtra,	Mumbai	26.10	No	Collective Good Foundation	CSR00001648

(d) Amount spent in Administrative Overheads: **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the FY (8b+8c+8d+8e): **₹ 26.10 million**

Annexure III (Contd.)

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in million)
(i)	Two percent of average net profit of the Company as per section 135(5)	26.01
(ii)	Total amount spent for the FY	26.10
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.10

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting FY (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	FY in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting FY (in ₹)	Cumulative amount spent at the end of reporting FY (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) **-None**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two Percent of the average net profit as per section 135(5). **Not applicable**

For and on behalf of the Board
Angel Broking Limited

Dinesh D. Thakkar
Chairman & Managing Director
(DIN: 00004382)

Date: 05 May, 2021
Place: Mumbai

Annexure IV

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31 March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

Angel Broking Limited

G-1, Ground Floor, Akruti Trade Centre, Road No.-7, MIDC, Andheri (East) Mumbai 400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Angel Broking Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2021 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to disclosures thereunder applicable to the extent of the investment made by the Company in Listed Companies;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as applicable in respect of its investment in Listed Companies;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period).**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure IV (Contd.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above except that there was inadvertent delay in providing information to designated depository as per SEBI Circular dated 09 September, 2020 on system driven disclosures.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test -check basis the Company has complied with the following specific law to the extent applicable to the Company:

- The Securities and Exchange Board of India (Stockbrokers and Sub-brokers) Regulations, 1992 and Rules, Regulations and Bye-laws of Stock Exchanges;
- The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020 effective from 16 January, 2020;
- The Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
- The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;
- Pension Fund Regulatory and Development Authority Regulations, 2018.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors There were no changes in the composition of the Board of Directors that took place during the period under review.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor

and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period,

1. The Company came out with Initial Public Offer by way of Offer for Sale and Fresh Issue and thereby was listed on BSE Limited and National Stock Exchange of India Limited on 05 October, 2020.
2. The Company approved Angel Broking Employees Long Term Incentive Plan 2021 on 08 March, 2021 considering 81,80,399 (Eighty-One Lakh Eighty Thousand Three Hundred and Ninety-Nine) of options/ Equity Shares having FV of ₹10/- each for the employees of the Company and the subsidiary Company(ies) (present and/or future).
3. The Company has filed Settlement Application under SEBI (Settlement Proceedings) Regulations, 2018 on 22 July, 2020 and has paid settlement amount of ₹ 41,34,375/- for the Show Cause Notice issued by SEBI dated 31 October, 2015 in the matter of violation of SEBI (Depositories and Participant), Regulations, 1996 based on SEBI Special Purpose Inspection conducted on 08 May, 2014 for the period 2008 to 2013.
4. The Company has filed Settlement Application under SEBI (Settlement Proceedings) Regulations, 2018 on 22 July, 2020 and has paid settlement amount of ₹ 41,34,375/- for the Show Cause Notice issued by SEBI dated 09 October, 2018 in the matter of violation of SEBI (Stock Brokers and Sub brokers) Regulations, 1992.

For **MMJB and Associates LLP**
Company Secretaries

Saurabh Agarwal

Designated Partner

FCS No. 9290

CP No. 20907

UDIN: F009290C000253787

Peer Review No. L2020MH006700

Place: Mumbai

Date: 06 May, 2021

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

Annexure IV (Contd.)

'Annexure A'

To
The Members,
Angel Broking Limited
G-1, Ground Floor, Akruiti Trade Centre, Road
No.-7, MIDC, Andheri (East) Mumbai 400093

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MMJB and Associates LLP**
Company Secretaries

Saurabh Agarwal
Designated Partner
FCS No. 9290
CP No. 20907
UDIN: F009290C000253787
Peer Review No. L2020MH006700

Place: Mumbai
Date: 06 May, 2021

Annexure V

DETAILS OF EMPLOYEE STOCK OPTION PLAN

[Pursuant to the provisions of Section 62 of the Companies Act, 2013, read with Rule 12 of The Companies (Share Capital and Debentures) Rules, 2014]

Details of ESOP	Angel Broking Employee Stock Option Plan 2018	Angel Broking Long Term Incentive Plan 2021
I. Description of each ESOP that existed at any time during the year:		
Date of Shareholders approval	19 April, 2018	05 March, 2021
Total number of options approved under ESOP	3,290,000	8,180,399
Vesting requirement	The Board may, in its absolute discretion, permit the Options granted, including Options, which have not vested, to be exercised within such time and as per such terms and conditions as it may determine provided that a minimum period of one year shall elapse from the date of Grant before Vesting.	Vesting Period of Options shall generally be up to 4 years from the date of grant of options or any other period as determined by the Administrator i.e the Nomination & Remuneration Committee. The minimum Vesting Period of an Option Award shall not be less than a period of one year from the date of grant of options.
Exercise price/Pricing Formula (In ₹)	₹ 211.51 per option	The Exercise Price for an Option shall be determined by the Administrator. Options may be granted at an Exercise Price equal to the Market Price per Share or a discounted price as determined by the Administrator; provided such Exercise Price shall not be less than the Par Value or Face Value per Share (₹ 10) on the grant date or such other minimum price required by Applicable Laws. The exercise price for the Options granted till 31 March, 2021 is ₹ 337.90/- per Option.
Minimum term of options granted (years)	The Board may, in its absolute discretion, permit the Options granted, including Options, which have not vested, to be exercised within such time and as per such terms and conditions as it may determine provided that a minimum period of one year shall elapse from the date of Grant before Vesting.	The minimum Vesting Period of an Option Award shall not be less than a period of one year from the date of grant of options.
Source of shares	Primary	Primary

Annexure V (Contd.)

Details of ESOP	Angel Broking Employee Stock Option Plan 2018	Angel Broking Long Term Incentive Plan 2021
Variation in terms of options	There have been no variations in terms of the options.	

II. Method used to account for ESOP:

The Company has calculated the employee compensation cost using the Fair value method of accounting for the Options granted

III. Option Movement during the year:

Number of options outstanding at the beginning of the year	2,257,600	Nil
Number of options granted during the year	Nil	705,504
Number of options forfeited/lapsed during the year	(698,770)	Nil
No. of options vested during the year	411,887	Nil
Number of options exercised during the year	(27,583)	Nil
Total number of shares arising as a result of exercise of options	27,583	Nil
Money realised by exercise of options	₹ 5,834,080	Nil
Number of options outstanding at the end of the year	1,531,247	705,504
Number of options exercisable at the end of the year	384,304	Nil

IV. Weighted-average exercise price of options granted during the year whose: (in ₹)

Weighted average price equals market price	NA	NA
Exercise price is greater than market price	NA	337.90
Exercise price is less than market price	211.51	NA
Weighted average fair value of options granted during the year whose:		
Exercise price equals market price	NA	NA
Exercise price is greater than market price	NA	NA
Exercise price is less than market price	NA	57.02

Annexure V (Contd.)

Details of ESOP	Angel Broking Employee Stock Option Plan 2018	Angel Broking Long Term Incentive Plan 2021
V. Employee-wise details of options granted during FY 2020-21 to:		
i. Senior Managerial personnel	No shares were granted during FY 2020-21	Mr. Vinay Agrawal - 81,707 Mr. Vineet Agrawal - 36,879
ii. Employees who were granted, during any one year, options amounting to 5 Percent or more of the options granted during the year		Mr. Ankit Rastogi - 50,000 Mr. Nilesh Gokral - 33,768 Mr. Ketan Shah* - 33,585 Mr. Prabhakar Tiwari - 33,149 Mr. Subhash Menon - 32,681
iii. Identified employees who were granted options, during any one year, equal to or exceeding 1 Percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant		None

*Employee of subsidiary

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing Model. The Assumptions used in the model are as follows:

Particulars	Angel Broking Employee Stock Option Plan 2018	Angel Broking Long Term Incentive Plan 2021
Grant date	No grants were made during the year under the said scheme	30 March, 2021
Weighted average fair value of options granted		₹ 57.02
Exercise price		337.90
Share price at the grant date		295.80
Expected volatility		50.20 Percent- 48.53 Percent
Risk free interest rate		5.95 Percent- 6.29 Percent
Expected dividend yield		100 Percent

Details of ESOP	Angel Broking Employee Stock Option Plan 2018	Angel Broking Long Term Incentive Plan 2021
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Weighted Average share price of options exercised during the year: ₹ 337.90

Annexure V (Contd.)

Exercise price and weighted average remaining contractual life of outstanding options:

Scheme name	Number of options outstanding	Weighted Average Remaining Contractual Life (in years)	Exercise Price
Angel Broking Employee Stock Option Plan 2018	1,531,247	0.74 years	211.51
Angel Broking Long Term Incentive Plan 2021	705,504	2.5 years	337.90
Diluted earnings per share pursuant to issue of shares on exercise of options calculated in accordance with Ind AS 33 'Earnings per Share'	(Consolidated) diluted EPS for the year ended 31 March, 2021 - ₹ 38.6		
Impact of employee compensation cost calculated as difference between intrinsic value and fair market value in accordance with SEBI Guidelines on ESOP (₹ in million)	ESOP Expense at consolidated basis for the year ended 31 March, 2021 - ₹ 12.0 million		
Relevant disclosures in terms of the 'Guidance note on accounting for employee share based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.	The disclosures are provided in Note 38 of the Notes to Standalone Financial Statements of the Company for the financial year ended 31 March, 2021.		

For **Angel Broking Limited**

Dinesh D. Thakkar
Chairman & Managing Director
(DIN: 00004382)

Date: 05 May, 2021
Place: Mumbai

Report on Corporate Governance

[As per regulation 34(3) read along with Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")]

I. Company's philosophy on Corporate Governance:

The Company's policy on Corporate Governance is based on the principles of full disclosure, fairness, equity, transparency, and accountability in various aspects of its functioning, leading to the protection of stakeholders' interest and an enduring relationship with them. The Management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices which forms part of the Regulation Nos. 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ['Listing Regulations']. The Company has also adopted the Code of Conduct for its Directors and senior management personnel. The Company has in place a Code for Fair Disclosure and Conduct as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 which has been amended from time to time.

II. Board of Directors:

a. Board Structure

The Company's Board of Directors ("Board") comprises of both Independent and Non-Independent Directors. The Company also has one Independent Woman Director on its Board. The number of Independent Directors comprises 50 Percent of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

The management of the Company is entrusted in the hands of its Key Management Personnel and is headed by the Executive Chairman and Managing Director who functions under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' value are met.

Mr. Dinesh D. Thakkar, Chairman and Managing Director of the Company belong to promoter group. None of the other Directors are related to promoter group, other than as stated above.

None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence. The Board confirms that based on the written affirmations from each Independent Director, all Independent Directors fulfill the conditions specified for independence as stipulated in the Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018 ("Listing Regulations") w. e. f. 01 October, 2018 and are independent of the Management. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

The Board of Directors comprises of professionals drawn from diverse fields who bring with them a wide range of skills and experience to the Board which enhances the quality of Board's decision-making process. All the directors of the Company are experienced professionals having knowledge covering wide range of subjects including those of Banking, Financial Services and Insurance (BFSI), Information Technology Enables Services (ITES), corporate governance, and the related regulatory issues of the business.

Matrix setting out the Skills / expertise / competence of the Board of Directors:

The following is the list of core skills / expertise / competencies possessed by the Board of Directors of the Company, which are essential for the functioning of the Company in an effective manner:

Report on Corporate Governance (Contd.)

Sr. No.	Name of the Director	Skills/expertise/competences
1	Mr. Dinesh D. Thakkar	More than 25 years of experience in Broking Industry
2	Mr. Vinay Agrawal	More than 18 years of experience in Broking Industry
3	Mr. Ketan Shah	Expertise in Broking and Financial Industry
4	Mr. Uday Sankar Roy	Experience in Banking Industry
5	Mr. Kamalji Sahay	Experience in Insurance Industry
6	Ms. Anisha Motwani	Experience in Management

The broad composition of the Board of Directors and other details such as names of the listed entities where they hold directorships, category of directorship, their total number of Directorship / Committee positions viz., Chairman/ Member, shareholding in the Company and attendance at the Board Meetings and at the last Annual General Meeting are as under:

Composition of Board of Directors as on 31 March, 2021:

Category	No. of Directors
Independent Directors	3
Other Non-Executive Directors	1
Executive Director	1
Executive Chairman & Managing Director	1
Total	6

b. Board meetings held and Directors' attendance record

Sr. No.	Name of Director	Category of Director	No of Shares held as on 31 March, 2021	No. of Board meetings attended during FY 2020-21	No. of Directorship in Public Companies as on 31 March, 2021*	No. of Board Committee Membership held in Public Companies as on 31 March, 2021**		Attendance at last AGM held on 10 July, 2020
						Chairman	Member	
1	Mr. Dinesh D. Thakkar	Chairman and Managing Director	16,768,805	4	1	-	-	Yes
2	Mr. Vinay Agrawal (upto 17 April, 2021)	Whole-time Director and Chief Executive Officer	218,643	3	1	-	2	Yes
3	Mr. Uday Sankar Roy	Non-Executive - Independent Director	-	4	1	1	1	No
4	Mr. Kamalji Sahay	Non-Executive - Independent Director	-	4	1	1	2	No
5	Ms. Anisha Motwani	Non-Executive - Independent Director	-	4	8	1	7	No

Report on Corporate Governance (Contd.)

Sr. No.	Name of Director	Category of Director	No of Shares held as on 31 March, 2021	No. of Board meetings attended during FY 2020-21	No. of Directorship in Public Companies as on 31 March, 2021*	No. of Board Committee Membership held in Public Companies as on 31 March, 2021**		Attendance at last AGM held on 10 July, 2020
						Chairman	Member	
6	Mr. Ketan Shah	Non-Executive - Non Independent Director#	31,680	4	1	-	-	Yes

Re-designated as Whole-time Director w.e.f. 05 May, 2021

* Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 companies (having charitable objects etc.) and includes directorship in Angel Broking Limited.

** In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of only Audit Committee and Stakeholders Relationship & Investors' Grievance Committee of all Public Limited Companies, whether listed or not, has been considered including that of Angel Broking Limited.

c. Other directorship positions held in listed entities by Directors and the category:

Sr. No.	Name of Director	Names of listed entities in which Directorship held	Category of Directorship
1.	Mr. Dinesh D. Thakkar	1	Chairman and Managing Director
2	Mr. Vinay Agrawal (upto 17 April, 2021)	1	Whole-time Director and Chief Executive Officer
3	Mr. Ketan Shah	1	Non-Executive- Non Independent Director#
4	Mr. Uday Sankar Roy	1	Non-Executive- Independent Director
5	Mr. Kamalji Sahay	1	Non-Executive- Independent Director
6	Ms. Anisha Motwani	5	Non- Executive - Independent Director

#Re-designated as Whole-time Director w.e.f. 05 May, 2021

During the year under review, four meetings of the Board were held on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	14 May, 2020	6	6
2	07 August, 2020	6	6
3	26 October, 2020	6	6
4	28 January, 2021	6	5

The maximum gap between two Board Meetings held during the year was not more than 120 days.

Dates for the Board Meetings in the ensuing year are decided well in advance and communicated to the Directors. Board Meetings are held at the Corporate Office of the Company or through Video-Conferencing. The Agenda along with the Notes are sent in advance to the Directors. Additional Meetings of the Board are held when deemed necessary by the Board. The Board members attend meetings through Audio-Video Conferencing in case they are unable to attend in person. As required by Secretarial Standards issued by Institute of Company Secretaries of India (ICSI), certain Unpublished

Report on Corporate Governance (Contd.)

Price Sensitive Information (UPSI) such as Unaudited / Audited Financial Results with Presentation thereon is being circulated to the Board Members at a shorter Notice as per the general consent given by the Board of Directors at the first Board Meeting held at each financial year.

The 24th Annual General Meeting was held on 10 July, 2020.

Pursuant to requirements of Regulation 26 of the Listing Regulations, none of the Company's Directors are a member of more than 10 committees or Chairman of more than 5 committees across all Public companies in which s/he is a Director.

d. Major functions of the Board:

The Company has clearly defined the roles, functions, responsibility, and accountability of the Board of Directors. In addition to its primary role of monitoring corporate performance, the major functions of the Board comprise:

- Approving corporate philosophy;
- Reviewing and approving strategic and business plan;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against such strategic and business plans;
- Review of Business risk issues;
- Ensuring ethical behavior and compliance with laws and regulations;
- Reviewing and approving borrowing limits.

e. Familiarisation Programme:

Periodically, the Company provides familiarisation programmes to the Independent Directors to enable them to understand the business of the Company. At the meetings of the Board of Directors held on quarterly basis, presentations on the, important aspects of the industry and business, client related, financials and

Marketing performance are made. The Management also endeavors to apprise the Directors regarding their responsibilities in case of change / amendment to the Rules and Regulations. The details of the familiarisation programmes have been displayed on the Company's website and its weblink is www.angelbroking.com.

f. Independent Directors' Meeting:

During the year under review, the Independent Directors met on 20 January, 2021 inter alia to discuss:

- Overall operations
- Business Strategy
- Medium / Long term plans including diversification plans
- Overall performance of the Senior Management and their succession plan

3 (Three) Independent Directors out of 3 (Three) were present at the meeting. Pursuant to the requirements of the Listing Regulations and Schedule IV of the Companies Act, 2013 on Code of Conduct of the Independent Directors, the Independent Directors had reviewed and evaluated the performance of Non-Independent Directors and the Board as a whole and the same was found satisfactory. Further, pursuant to the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended, the Independent Directors have also furnished a declaration to the effect that they have included their names in the Database maintained by the Indian Institute of Corporate Affairs.

III. Committees of the Board:

1. Audit Committee:

The total strength of the Audit Committee is three out of which, two members fall under the Independent Category. The norms require $2/3^{\text{rd}}$ of the members to be Independent Directors.

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below:

Report on Corporate Governance (Contd.)

Name of Members	Category	Designation in Committee	No. of Meetings attended during the year 2020-21
Mr. Uday Sankar Roy	Non-Executive - Independent Director	Chairperson	4
Mr. Kamalji Sahay	Non-Executive - Independent Director	Member	4
Mr. Vinay Agrawal (upto 17 April, 2021)	Whole-time Director and Chief Executive Officer	Member	3

During the FY 2020-21, the Audit Committee met four times i.e. 14 May, 2020, 07 August, 2020, 26 October, 2020, 28 January, 2021.

The requisite quorum was present at the meetings.

Audit Committee Meetings are also attended by the senior management personnel of the Company wherever required along with the, Chief Financial Officer, as invitees. The Company Secretary acts as the Secretary of the Audit Committee.

The Board of Directors have appointed M/s. Parekh Shah & Lodha, Chartered Accountant, as Internal Auditors for the FY 2020-21 to conduct the internal audit of the various areas of operations and records of the Company. The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

The scope of the activities of the Audit Committee is as set out in Regulation 18 of the listing Regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto.

The terms of reference of the Audit Committee are broadly as follows:

- a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that financial statement are correct, sufficient and credible;
- b) To engage consultants who can analyze / review the internal practices and give a report thereon to the audit committee

from time to time in respect of the Company's Financial Reporting and controls thereto;

- c) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- d) To recommend the appointment and remuneration of the Secretarial Auditor.
- e) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- f) Examination of the financial statement and the auditors' report thereon;
- g) Approval or any subsequent modification of transactions of the Company with related parties;
- h) Scrutiny of inter-corporate loans and investments;
- i) Valuation of undertakings or assets of the Company, wherever it is necessary;
- j) Evaluation of internal financial controls and risk management systems;
- k) To review the Internal Control over Financial Reporting.
- l) To review the functioning of the Whistle blower mechanism
- m) Monitoring the end use of funds raised through public offers and related matters.
- n) To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

Report on Corporate Governance (Contd.)

- o) To review the annual declaration made by the Promoters and Promoter group regarding encumbrance, whether directly or indirectly, on shares of the Company pursuant to the provisions of SEBI (Substantial Acquisition of Shares and Takeover), Regulations, 2011, as amended.

The Audit Committee also assures the Board about the adequate internal control procedures and financial disclosures commensurate with the size of the Company and in conformity with the requirements of the Listing Regulations.

2. Stakeholders Relationship Committee:

The terms of reference of the Committee are as follows:

- Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares.
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal.
- Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders.
- Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013, Companies (Amendment) Act, 2017, to the extent applicable and the rules and regulations made thereunder, each as amended or other applicable law.

Composition of Committee given herein below:

Name of Members	Category	Designation in Committee
Mr. Kamalji Sahay	Non-Executive - Independent Director	Chairperson
Ms. Anisha Motwani	Non-Executive - Independent Director	Member
Mr. Vinay Agrawal (upto 17 April, 2021)	Whole-time Director and Chief Executive Officer	Member

The Committee normally meets once in a year. During the year 2020-21, one meeting was held on 20 January, 2021. The Committee reviews the complaints received by the Company from its investors and the action taken by the management to address these complaints.

Details of queries and grievances received and attended by the Company during the FY 2020-21 are given herein below:

Sr. No.	Nature of Complaint	Pending as on 05 October, 2020*	Received during the year	Disposed of during the year	Pending as on 31 March, 2021
1	SEBI / Stock Exchange Complaints	-	38	38	-
2	Non-receipt of Dividend warrant/Interest	-	-	-	-
3	Non-receipt of Share Certificate	-	1	1	-
4	Non-receipt of Annual Report	-	-	-	-
5	Others	-	2012	2012	-
	Total	-	2051	2051	-

* Date of listing - 05 October, 2020

The Company Secretary acts as the Secretary of the Committee.

Report on Corporate Governance (Contd.)

3. Nomination and Remuneration Committee:

A. Composition and Scope:

The composition of the Nomination and Remuneration Committee (NRC) is as follows and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	Designation in Committee	No. of meetings attended during the Year
Mr. Uday Sankar Roy	Non-Executive - Independent Director	Chairperson	4
Mr. Kamalji Sahay	Non-Executive - Independent Director	Member	4
Ms. Anisha Motwani	Non-Executive - Independent Director	Member	4
Mr. Dinesh D. Thakkar	Chairman and Managing Director	Member	4
Mr. Ketan Shah	Non-Executive - Non Independent Director#	Member	4

#Re-designated as Whole-time Director w.e.f. 05 May, 2021

During the FY 2020-21, four NRC meetings were held i.e. 14 May, 2020, 07 August, 2020, 26 October, 2020 and 30 March, 2021.

The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 as amended. They are as follows:

- Appointment /re-appointment of Executive Chairman /Managing Director / Deputy Managing Director/Chief Executive Officer/ Executive Director.
- Review the performance of the Executive Chairman /Managing Director / Deputy Managing Director / Chief Executive Officer / Executive Director after considering the Company's performance.
- Recommend to the Board remuneration including Salary, Perquisites and Performance Bonus to be paid to the Company's Executive Chairman /Managing Director / Deputy Managing Director /Chief Executive Officer / Executive Director.
- Review of the Remuneration Policy of the Company in line with amended Rules and Regulations, market trends to attract and retain the right talent.
- Review and approval of elevation /promotions and revision in remuneration of Top Management Executives of the Company.
- Grant of Employees Stock Options to Designated Employees and allotment of Equity Shares on exercise of the ESOPs.
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Report on Corporate Governance (Contd.)

- k. Specify the manner of evaluation of the performance of the Board, its committees, and the individual directors to be carried out either by the Committee or by the Board or by the independent external agency and review its implementation and compliance.

In view of the amended provisions of Section 178 of the Companies Act, 2013, the performance of Board, its committees and each Director (excluding the director being evaluated) has been evaluated by the Board on the basis of engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders etc.

B. Remuneration Policy

The Nomination and Remuneration Committee while deciding the remuneration package of the Directors and Senior Management Executives ensures that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / Key managerial personnel / Senior management of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and variable incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and
- specify the manner of effective evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board or by the NRC or by an independent external agency and review its implementation and compliance.

The Non-Executive Independent Directors (NEDs) are paid remuneration by way of Sitting Fees for their participation in various committee and board meetings.

C. Remuneration of Directors:

(₹)

Name of the Director	Salary, Allowances / Perquisites & Performance Bonus, ESOPs	Contribution to Funds	Total
Mr. Dinesh D. Thakkar	31,551,972	-	31,551,972
Mr. Vinay Agrawal	25,669,097	1,039,714	26,708,811
Mr. Ketan Shah	10,417,370	-	10,417,370

The Nomination and Remuneration Committee in its meetings held on various dates granted under Angel Broking Employee Long Term Incentive Plan 2021 as follows:

Name	Designation	No. of Option Granted
Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	81,707
Mr. Ketan Shah	Non-Executive non Independent Director	33,585

Details of Options Exercised are as follows:

Name of the Director	No. of shares held on 01 April, 2020	No. of ESOPs exercised during the FY 2020-21	No. of Equity Shares sold during the FY 2020-21	No. of Equity Shares held as on 31 March, 2021
Mr. Vinay Agrawal	218,643	-	-	218,643
Mr. Ketan Shah	29,680	-	-	31,680

Report on Corporate Governance (Contd.)

Sitting Fees / Commission to Independent Directors for the financial year 2020-21 for attending Board and Committee Meetings.

(₹)

Name of the Director	Sitting Fees	Commission*	Total
Mr. Uday Sankar Roy	800,000	-	800,000
Mr. Kamalji Sahay	840,000	-	840,000
Ms. Anisha Motwani	640,000	-	640,000
Total	2,280,000	-	2,280,000

* Not applicable

4. Corporate Social Responsibility (CSR) Committee:

The composition of the CSR Committee is as follows and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	Designation in Committee	No. of meetings attended during the Year
Mr. Dinesh D. Thakkar	Chairman and Managing Director	Chairperson	1
Mr. Vinay Agrawal (upto 17 April, 2021)	Whole-time Director and Chief Executive Officer	Member	-
Mr. Kamalji Sahay	Non-Executive - Independent Director	Member	1

During the year 2020-21, CSR Committee meetings were held on 30 December, 2020.

The Company has complied with the necessary requirements under the Companies Act, 2013 in this regard.

The terms of reference of the CSR Committee broadly comprises:

- To review the Company's existing CSR Policy and to supervise and monitor the activities undertaken by the Company as specified in CSR Policy and Schedule VII of the Companies Act, 2013.
- To provide guidance on various CSR activities undertaken by the Company.

5. Risk Management Committee:

As per Regulation 21 of (Listing Obligations and Disclosure Requirement) regulations, 2015, top 1,000 listed companies as per the market capitalisation as at the end of the immediate previous financial year, were required to constitute the Risk Management Committee.

The Company has Risk Management Committee. The composition of the Risk Management Committee (RMC) as on 31 March, 2021 is as follows and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	Designation in Committee	No. of meetings attended during the Year
Mr. Vinay Agrawal	Whole-time Director and Chief Executive Officer	Chairperson	1
Mr. Dinesh D. Thakkar	Chairman and Managing Director	Member	1
Mr. Uday Sankar Roy	Non-Executive Independent Director	Member	1
Mr. Ketan Shah	Non-Executive Non Independent Director	Member	1

During the year, 2020-21, one RMC meeting was held on 13 May, 2020.

Report on Corporate Governance (Contd.)

The terms of reference of the Committee are as follows:

- Monitoring and reviewing the risk management plan of the Company;
- review the Company's capability to identify and manage new risk types;
- to monitor continuously the scope and quality of risk management and internal control systems;
- to monitor compliance with Risk Management Policy adopted by the Board;
- to review the changes in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and external environment;
- ensure adequacy of risk management practices in the Company; and
- such other activities as the Board may determine from time to time.

IV. General Body Meetings:

The venue and timings of the last three Annual General Meetings are given below:

Financial year	Date	Location	Time
2017-18	21 May, 2018	6 th Floor, Ackruti Star, Central Road MIDC, Andheri (East), Mumbai-400093	11.00 AM
2018-19	24 June, 2019	6 th Floor, Ackruti Star, Central Road MIDC, Andheri (East), Mumbai-400093	02.00 PM
2019-20	10 July, 2020	6 th Floor, Ackruti Star, Central Road MIDC, Andheri (East), Mumbai-400093	02.00 PM

The number and particulars of Special Resolutions which were passed in the last three Annual General Meetings are as follows:

Date of Annual General Meeting	Number and particulars of Special Resolutions passed
21 May, 2018	One Initial Public Offer of Equity Shares of the Company
24 June, 2019	One To approve payment of remuneration to Mr. Vinay Agrawal exceeding the limits specified under section 197
10 July, 2020	-

Postal Ballot Resolution(s)

During the financial year 2020-21, the approval of the shareholders was sought for following purposes by way of postal ballot vide notice dated 03 February, 2021 in respect of the Special Resolutions:

- To consider and approve Angel Broking Employees Long Term Incentive Plan 2021 ("LTI Plan 2021") for the employees of the Company.

The voting details are as follows:

No. of Votes polled	No. of Votes in favour	Percent of votes in favour on votes polled	No. of votes against	Percent of Votes against on votes polled	No. of Invalid votes
65,422,010	55,320,846	84.5600	10,101,164	15.4400	-

- To grant Stock Options to the employees of the Subsidiary Company(ies) (present and/or future) under the Angel Broking Employee Long Term Incentive Plan 2021 ("LTI Plan 2021").

The voting details are as follows:

No. of Votes polled	No. of Votes in favour	% of votes in favour on votes polled	No. of votes against	% of Votes against on votes polled	No. of Invalid votes
65,422,057	55,320,895	84.5600	10,101,162	15.4400	-

Report on Corporate Governance (Contd.)

V. Means of communication

The Board takes on record the audited / unaudited annual / quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated 05 July, 2016 issued by SEBI within prescribed time limit from the closure of the quarter / year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Business Standard and Mumbai Lakshadeep within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- I. The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review / full audit (as applicable) and the report of the Auditors is also filed with all stock exchanges after it is approved by the Board of Directors.
- II. The quarterly results are not sent to each shareholder as shareholders are intimated through press.
- III. The Company's website **www.angelbroking.com** provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- IV. The Company also makes presentations on the Operational and Financial Highlights to its investors including the analysts which are hosted on the Company's website viz., **www.angelbroking.com** and also submitted to the Stock Exchanges.
- V. The Company has created a separate e-mail address viz.: **secretarial@angelbroking.com** to receive complaints and grievances of the investors.

VI. General Shareholder Information

i) Annual General Meeting:

Date and time : 29 June, 2021 at 10:30 AM (IST)

Venue : Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated 05 May, 2020 read with circulars dated 08 April, 2020, 13 April, 2020 and 13 January, 2021 and as such there is no requirement to have a venue for the AGM.

For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

ii) FY of the Company

The financial year covers the period 01 April to 31 March.

Financial Reporting for FY 2020-21 (Indicative):

Quarter ending on June : Aug 2020
2020

Half year ending on : October 2020
September 2020

Quarter ending on : January 2021
December 2020

Year ending on March : May 2021
2021

Annual General Meeting : June 2021
(2020-21)

Report on Corporate Governance (Contd.)

iii) Dividend Payment Date:

During the year under review, the Board of Director have declared dividend as follows:

Dividend	Date of Declaration	Date of Payment	Percentage of Dividend on the face value of equity share	Amount Per Share
1 st Interim Dividend	07 July, 2020	09 July, 2020	12.1	1.21
2 nd Interim Dividend	26 October, 2020	20 November, 2020	41.5	4.15

3rd Interim Dividend was declared on 22 April, 2021, date of payment was on or before 21 May, 2021, at the rate of ₹ 7.50 per share.

The three Dividends would be confirmed at the ensuing Annual General Meeting.

iv) Listing of Equity Shares on Stock Exchanges and Stock Code

Equity shares of the Company are listed on:

	Name of the Stock Exchange	Stock Code
1.	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	543235
2.	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	ANGELBRKG

The Company has paid the Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited for FY 2021-22.

v. Corporate Identification Number (CIN) of the Company: L67120MH1996PLC101709

vi. Market Price data:

The monthly high / low price quotes, on closing basis, of equity shares traded on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) is as follows:

National Stock Exchange of India Limited (Nifty)			BSE Limited (S&P BSE SENSEX)		
Month	High	Low	Month	High	Low
Oct-20	11,971.05	11,503.35	Oct-20	40,794.74	38,973.70
Nov-20	13,055.15	11,669.15	Nov-20	44,523.02	39,757.58
Dec-20	13,981.95	13,109.05	Dec-20	47,751.33	44,618.04
Jan-21	14,644.70	13,634.60	Jan-21	49,792.12	46,285.77
Feb-21	15,314.70	14,281.20	Feb-21	52,154.13	48,600.61
Mar-21	15,245.60	14,324.90	Mar-21	51,444.65	48,440.12

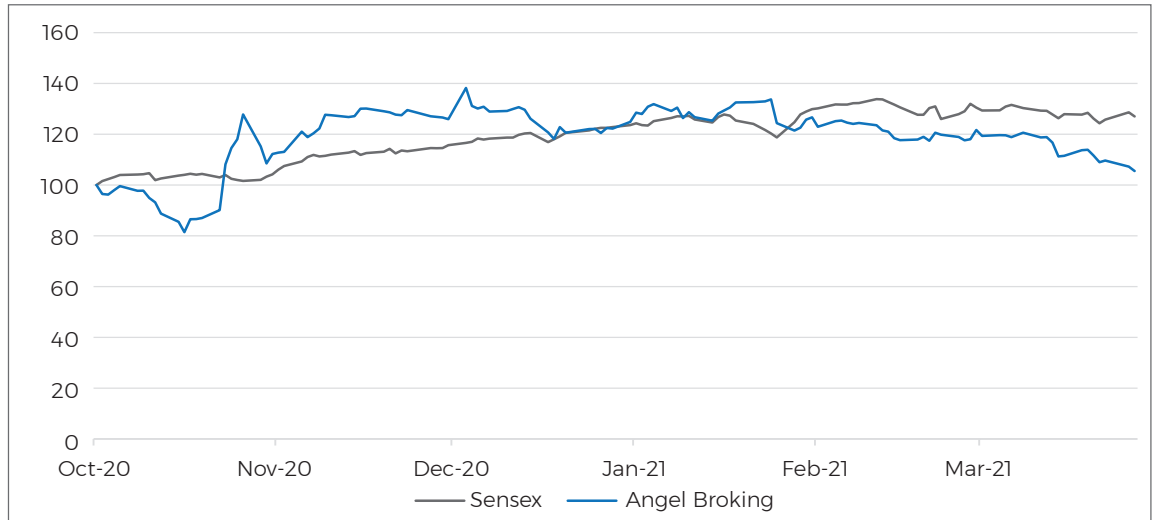
Month	NSE			BSE		
	High (in ₹)	Low (in ₹)	Total Number of Equity Shares Traded	High (in ₹)	Low (in ₹)	Total Number of Equity Shares Traded
Oct-20	353.35	224.65	36,028,817	352.45	224.65	3,039,095
Nov-20	359.80	298.90	10,749,526	358.95	299.30	1,033,220
Dec-20	380.85	325.90	6,182,369	381.25	325.85	519,010
Jan-21	369.20	336.65	5,725,202	368.90	337.10	506,129
Feb-21	348.90	323.40	3,091,619	349.35	323.85	261,983
Mar-21	335.95	291.20	2,946,546	335.70	291.10	194,435

Note: Period considered for above is 05 October, 2020 to 31 March, 2021.

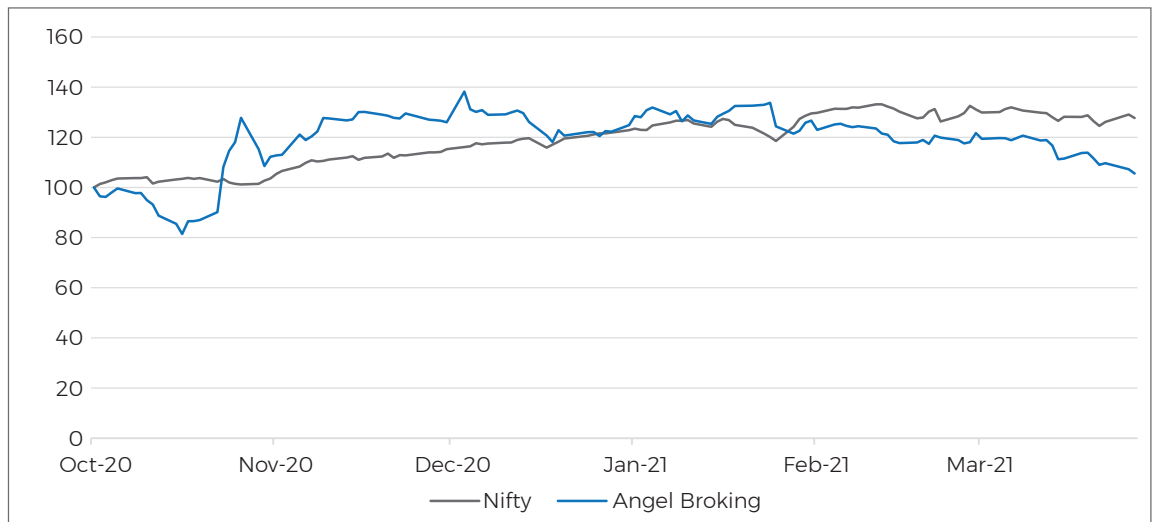
Report on Corporate Governance (Contd.)

vii) Angel Broking Limited - Stock Performance:

➤ Stock Performance in comparison to BSE Sensex



➤ Stock Performance in comparison to Nifty



viii) Registrar and Share Transfer Agents (RTA):

Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

E-mail: rnt.helpdesk@linkintime.co.in · Website: www.linkintime.co.in

ix) Share Transfer system:

Share transfers and related operations for the Company are processed by the Company's RTA viz., Link Intime India Private Limited, Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

Report on Corporate Governance (Contd.)

x) Distribution of shareholding:

a. Distribution of shareholding by Size as on 31 March, 2021:

Sr. No	No. of shares	No. of shareholders	Percent of Shareholders	No. of shares held	Percent of shareholding
1	Up to 1 - 5,000	46,095	98.1	2,267,530	2.8
2	5,001 - 10,000	391	0.8	297,101	0.4
3	10,001 - 20,000	227	0.5	318,541	0.4
4	20,001 - 30,000	74	0.2	187,077	0.2
5	30,001 - 40,000	35	0.1	126,104	0.2
6	40,001 - 50,000	21	0.0	100,126	0.1
7	50,001 - 100,000	31	0.1	211,086	0.3
8	100,001 & Above	98	0.2	78,318,942	95.7
	Total	46,972	100.0	81,826,507	100.0

b. Shareholding pattern by Ownership as on 31 March, 2021:

Sr. No.	Ownership	No. of shares held	Percent of shareholding
1	Alternate Investment Funds - III	73,342	0.1
2	Clearing Members	233,427	0.3
3	Corporate Bodies (Promoter Co)	6,065,310	7.4
4	Foreign Company	9,006,124	11.0
5	Foreign Portfolio Investors (Corporate)	4,118,419	5.0
6	Hindu Undivided Family	122,368	0.1
7	Insurance Companies	44,444	0.1
8	Mutual Funds	9,748,582	11.9
9	Non-Resident (Non-Repatriable)	92,585	0.1
10	Non Resident Indians	243,694	0.3
11	Other Bodies Corporate	1,369,444	1.7
12	Promoters	29,773,577	36.4
13	Promoters - HUF	616,940	0.8
14	Public	20,318,251	24.8
	Total	81,826,507	100.0

xi) Demat information:

As on 31 March, 2021 100 Percent shareholding representing 81,826,505 shares of the Company have been converted into demat form. The Company has executed agreements with both NSDL and CDSL for dematerialisation of its shares.

ISIN numbers in NSDL and CDSL for equity shares

INE732I01013

xii) Outstanding ADRs/GDRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any ADRs/GDRs/Warrants or any Convertible instruments.

xiii) Foreign Exchange Risk and Hedging activities: Not Applicable

xiv) Plant Location:

The Company is in the business of broking, therefore, it does not have any manufacturing plants.

Report on Corporate Governance (Contd.)

xv) List of credit ratings obtained:

The following ratings have been assigned to the Company for its borrowing facilities:

Bank Facilities	Rating	
	CRISIL LIMITED	
₹ 15,000 million	Short Term rating- CRISIL A1+ (Assigned)	Long Term Rating- CRISIL A+/Stable (Assigned)

xvi) Name, designation, and address of the Compliance Officer:

Ms. Naheed Patel
 Company Secretary and Compliance Officer
 Address- 6th Floor, Akruiti Star, Central Road, MIDC, Andheri (East) Mumbai 400 093
 Tel: +91 22 4000 3600
 Fax: +91 22 2835 8811
 E-mail: secretarial@angelbroking.com

VII. Other

A. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large:

- The Company have related party transactions which are undertaken in the normal course of business. These related party transactions, may have potential conflict with the larger interests of the Company. The disclosures of transactions with the related parties entered by the Company in the normal course of business are given in the Notes to the Financial Statements.

B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:

- In the matter of Mr. Surendra Prakash Kayal, with respect to the Settlement Application which has been disclosed by the Company in its Prospectus dated 26 September, 2020, as being pending.

The Company has received adjudication order on 29 April, 2021 from SEBI in relation Show Cause Notice dated 31 October, 2015 ("2015 SCN") stating that adjudication proceedings initiated against the Company vide 2015 SCN has been disposed of.

The Notice dated 09 October, 2018 ("2018 SCN") issued under Regulation 25 of the SEBI (Intermediaries) Regulations, 2008 is still pending.

C. Vigil Mechanism and Whistle Blower Policy:

The Company has adopted an ethical code of conduct of the highest degree of transparency, integrity, accountability, and corporate social responsibility. Any actual or potential violation of the Code would be a matter of serious concern for the Company. The Directors, Employees or any person dealing with the Company can play an important role in pointing out such violations of the code.

Accordingly, this policy has been formulated with a view:

- To provide a mechanism for employees of the Company and other persons dealing with the Company, to report to the Chairman of the Audit Committee; or Managing Director who is nominated by the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy,
- To safeguard the confidentiality and interest of such employees / other persons dealing with the Company against victimisation, who notice and report any unethical or improper practices and
- To appropriately communicate the existence of such mechanism, within the organisation and to outsiders.

To meet the objective of the Policy a dedicated e-mail Id - *vigilance@angelbroking.com* has been activated.

The Policy has been posted on the website of the Company viz., *www.angelbroking.com*

Report on Corporate Governance (Contd.)

No employee and or other person has been denied access to the Chairman of the Audit Committee.

D. Details of compliance with mandatory requirements:

All the mandatory requirements of Regulations 17 to 27 of the Listing Regulations have been complied with by the Company.

E. Policy on Subsidiary Companies:

The Company has five (5) wholly owned subsidiaries viz. Angel Financial Advisors Private Limited, Angel Fincap Private Limited, Angel Securities Limited, Angel DigiTech Services Private Limited (formerly known as Angel Wellness Private Limited), Mimansa Software Systems Private Limited. None of the Company is falling under the category of material subsidiary company in terms of the definition under Regulation 16(1)(c) of listing regulations. The Policy for determining the material subsidiaries is available at www.angelbroking.com

F. Policy on Related Party Transactions:

In terms of Section 188 of the Companies Act, 2013 read with the Regulation 23 of Listing Regulations, the Company had formulated a policy on materiality of related party transactions and on dealing with related party transactions. During the year under review, the said Policy was amended to reflect the latest amendments in the Companies Act, 2013 and the rules made thereunder.

The Policy is intended to ensure that there is proper approval and reporting of transactions between the Company and its related parties. The Policy, after carrying out the necessary modifications in line with the amendments made from time to time, is placed on the website of the Company www.angelbroking.com.

G. Policy on Board Diversity:

This Policy aims to set out the approach to achieving diversity for the Board of Directors of the Company.

The Company believes that benefits of a professional board that possesses a balance

of skills, experience, expertise will enhance the decision-making power of the Board which in turn will benefit the stakeholders of the Company.

H. Details of Utilisation of funds:

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A).

I. Certificate from a Practicing Company Secretary on disqualification of Directors:

The Company has obtained a Certificate dated 03 May, 2021 from M/s. Makarand M. Joshi & Co., Company Secretaries, Mumbai to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

J. Recommendations of the Committees:

During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee / Nominations and Remuneration Committee / Corporate Social Responsibility Committee on any matter which is mandatorily required.

K. Fees paid to the Statutory Auditors:

Total fees incurred by the Company including its subsidiaries, on a consolidated basis to the Statutory Auditors and all entities in their network / firm / network entity of which they are a part, is ₹ 5,064,492/-

L. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The disclosures for the FY 2020-21 are as under: -

A	Number of complaints filed during the FY	Nil
B	Number of complaints disposed of during the FY	Nil
C	Number of complaints pending as on the end of the FY	Nil

Report on Corporate Governance (Contd.)

VIII. Discretionary Disclosures

The status of compliance with non-mandatory recommendations of the Listing Regulations:

a. Shareholders' Rights:

As the quarterly and half yearly, financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

b. Audit Qualifications.

The Company's financial statements for the financial year 2020-21 do not contain any audit qualification.

c. Separate posts of Chairman and Chief Executive Officer.

d. Reporting of Internal Auditor.

The Internal Auditors of the Company make presentation to the Audit Committee on their reports as per the approved audit

programmes by the Audit Committee at the beginning of the year on a quarterly basis.

IX. Management Discussion and Analysis:

Management Discussion and Analysis forms a part of this Annual Report.

X. Declaration of compliance with the Code of Conduct /Ethics:

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for prohibition and prevention of Insider Trading for its designated employees. The code lays down Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company.

All the Directors and Senior Management have affirmed compliance with the Code of Conduct / Ethics as approved and adopted by the Board of Directors.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended 31 March, 2021, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Dinesh D. Thakkar
Chairman & Managing Director
(DIN: 00004382)

Date: 05 May, 2021
Place: Mumbai

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
Angel Broking Limited

We have examined the compliance of conditions of Corporate Governance by Angel Broking Limited ("the Company") for the year ended on 31 March, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MMJB and Associates LLP**
Company Secretaries

Saurabh Agarwal
Designated Partner
FCS No. 9290
CP No. 20907
UDIN: F009290C000254106
Peer Review No. L2020MH006700

Place: Mumbai
Date: 06 May, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Angel Broking Limited
G-1, Ground Floor, Akruti Trade Centre,
Road No.-7, MIDC, Andheri (East) Mumbai-400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Angel Broking Limited** having **CIN- L67120MH1996PLC101709** and having registered office at **G-1, Ground Floor, Akruti Trade Centre, Road No.-7, MIDC, Andheri (East) Mumbai -400093** (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the period ended as on 31 March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1	Mr. Dinesh Thakkar Dariyanumal	00004382	23 October, 2007
2	Mr. Ketan Shah Bharat	01765743	11 May, 2018
3	Ms. Anisha Motwani	06943493	14 May, 2018
4	Mr. Uday Shankar Roy	00424332	14 May, 2018
5	Mr. Kamalji Sahay	01683762	14 May, 2018

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**
Practicing Company Secretaries

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690

Place: Mumbai
Date: 03 May, 2021
UDIN: F006667C000231980

CEO & CFO Certificate under Regulation 33(2) (a) of SEBI (LODR) Regulation, 2015

To,
The Board of Directors
Angel Broking Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Angel Broking Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements for the quarter and year ended 31 March, 2021 and that to the best of our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii) these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit committee:
 - i) significant changes, if any, in internal control over financial reporting during the quarter and year;
 - ii) significant changes, if any, in accounting policies during the quarter and year ended 31 March, 2021, the same have been disclosed in the notes to the financial statements; and
 - iii) Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Angel Broking Limited**
Narayan Gangadhar
Chief Executive Officer

Place : San Francisco
Date : 03 May, 2021

For **Angel Broking Limited**
Vineet Agrawal
Chief Financial Officer

Place : Mumbai
Date : 03 May, 2021

Business Responsibility Report

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

BACKGROUND

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended from time to time), top 1,000 listed entities (based on market capitalization on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") are required to include a Business Responsibility Report ("BRR") in the Annual Report.

Angel Broking Limited ("ABL") is a public limited company listed on BSE and NSE. ABL is also a SEBI registered Depository Participant. ABL facilitates execution of transactions on stock exchanges in equity cash / equity derivatives / commodity derivatives / currency derivatives segments, for its clients.

Section A - GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identification Number (CIN)	L67120MH1996PLC101709
2.	Name of the Company	Angel Broking Limited
3.	Registered Office	G-1, Ground Floor, Akruti Trade Centre, Road No.-7, MIDC, Andheri (East), Mumbai - 400093
	Corporate Office	6 th Floor, Ackruti Star, Central Road, MIDC, Andheri East, Mumbai - 400093
4.	Website	www.angelbroking.com
5.	E-mail Id	investors@angelbroking.com
6.	Financial Year reported	2020-21
7.	Sections that the Company is engaged in (Industrial Activity code-wise)	1. Brokerage Services (Securities and Commodities Brokerage Services) – 997152 2. Other services auxiliary to financial services n.e.c. – 997159
8.	List three key products/services that the Company manufactures/provides (as in Balance Sheet)	The Company is engaged in 1) Retail Stock Broking 2) Margin Trading Funding 3) Distribution of Third Party Mutual Funds
9.	Locations where business activity is undertaken by the Company	The Company's operations include a network of 15,000+ Authorised Persons spread across 2,100+ cities
10.	Markets served by the Company Local/ State/National/ International	National

Section B - FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital (As on 31 March, 2021) (₹)	818,265,070.00
2.	Total Turnover (₹ in millions)	12,897.43
3.	Total Profit after Taxes (₹ in millions)	2,903.97
4.	Total Spending on Corporate Social Responsibility (CSR) (₹ in millions)	26.10
5.	As percentage of Profit after taxes	2% of the average profit of the preceeding three years
6.	List of activities in which Corporate Social Responsibility (CSR) expenditures have been incurred	Financial literacy programme for millennials and youth

Business Responsibility Report (Contd.)

Section C - OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?

Yes, the Company has five subsidiary companies in India:

- (i) Angel Financial Advisors Private Limited;
- (ii) Angel Fincap Private Limited;
- (iii) Angel Securities Limited;
- (iv) Angel Digitech Services Private Limited (formerly known as Angel Wellness Private Limited); and
- (v) Mimansa Software Systems Private Limited

2. Do the Subsidiary Company/Companies participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)?

No.

3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No.

Section D - BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

a. Details of Director/Directors responsible for the implementation of the BR policy/policies

Sr. No.	Particulars	Details
1.	DIN	01773822
2.	Name	Mr. Vinay Agrawal
3.	Designation	Whole-time Director and Chief Executive Officer

b. Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN (if applicable)	01773822
2.	Name	Mr. Vinay Agrawal

Sr. No.	Particulars	Details
3.	Designation	Whole-time Director and Chief Executive Officer
4.	Telephone Number	022 - 4000 3600
5.	E-Mail ID:	<i>investors@angelbroking.com</i>

2. Principle-wise (as per National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business {NVGs}) BR policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs had adopted nine areas of Business Responsibility as given below briefly: -

P1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 - Businesses should promote the wellbeing of all employees

P4 - Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 - Business should respect and promote human rights

P6 - Business should respect, protect and make efforts to restore the environment

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in responsible manner

P8 - Businesses should support inclusive growth and equitable development

P9 - Businesses should engage with and provide value to their customers and consumers in a re-sponsible manner

Business Responsibility Report (Contd.)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	N (Refer to note below)	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant Stakeholders?	Y	N (Refer to note below)	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify?	Y	N (Refer to note below)	Y	Y	Y	Y	Y	Y	Y
		The policies adopted by the Company are in conformity with the applicable rules and regulations.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/CEO/ appropriate Board of Directors?	Policies wherever stated, have been approved by the Board / Committee of the Board and followed across all entities within Angel Group.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? Indicate the link for the policy to be viewed online?	<p>The policies have been approved and adopted by the Board / Committee(s) and are implemented and reviewed from time to time.</p> <p>Appropriate steps are undertaken to oversee the implementation of the policy.</p> <p>As per regulatory requirement, the policies of the Company have been uploaded on the website of the Company at www.angelbroking.com</p>								
6.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Code of Conduct Policy, Corporate Social Responsibility Policy, Vigil Mechanism and Whistle Blower Policy and Prevention of Sexual Harassment Policy are available on the website of the Company								
7.	Does the Company have in-house structure to implement the policy/policies?	Yes								
8.	Does the Company have a grievance redressal mechanism related to the stakeholders' grievances related to the policy / policies?	Yes								
9.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Board of Directors / Instituted Committee (s) periodically evaluate and review the various policies								

Note:

As part of its responsibility towards the development and sustenance of the stock broking industry, the Company actively participates in various consultative processes through relevant trade bodies and associations.

3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

This Report is reviewed by the Board of Directors on Annual basis.

Business Responsibility Report (Contd.)

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The BRR for FY 2020-21 is available on the website of the Company at www.angelbroking.com. This being the first year of the Company as a listed entity, BRR is applicable from FY 2020-21.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 – Business should conduct and govern themselves with ethics, transparency and accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Yes. The Company through a strong enforcement of its Code of Conduct Policy and Vigil Mechanism and Whistle Blower Policy, ensures the business is conducted with ethics, transparency and accountability comparable to the best applicable standards.

The aforesaid policies are applicable to the directors and employees of the Company as well as its subsidiaries.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has adequate mechanisms through Vigil Mechanism and Whistle Blower Policy and Prevention of Sexual Harassment Policy, to enable its stakeholders raise complaints against itself or its employees ensuring complete privacy and institute an impartial investigation. These policies are designed to safeguard the interests of the complainants and provide them with a platform to address their grievances.

For the financial year ended 31 March, 2021:

- 1) The Company received 2,051 complaints from its investors / shareholders, of which Nil were pending
- 2) There were no complaints received under the Vigil Mechanism and Whistle Blower

Policy and Prevention of Sexual Harassment Policy

- 3) There was 1 out of a total of 920 complaints received from clients pending resolution

Principle 2 – Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

The Company provides services relating to retail stock broking, margin trading facility and distribution of third party mutual funds. Almost the entire business of the Company is carried out digitally. Movement of funds, generation and distribution of contract notes, statements, etc. are all done electronically.

The Company has digital platforms for client on-boarding, engagement and servicing, HR operations, accounting, etc. These secured digital platforms ensure privacy of information and are environmentally sustainable.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

The Company operates in the financial services sector with a digital model, hence some of the questions below are not applicable.

- a) **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain:**

NA

- b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year:**

NA

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

NA

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

NA

Business Responsibility Report (Contd.)

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company being in the financial services sector does not generate any waste which is hazardous to the environment. Waste generated in the normal course of administrative activities is managed as per the waste disposal process of the local bodies. The Company takes care to responsibly dispose-off the e-waste generated by it.

Principle 3 – Business should promote the wellbeing of all employees

1. Please indicate the Total number of employees:

The total numbers of employees – 2,908

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis:

2

3. Please indicate the Number of permanent women employees:

The total number of women employees – 996

4. Please indicate the Number of permanent employees with disabilities:

The number of employees with disabilities – 0

5. Do you have an employee association that is recognized by Management:

There is no employee association.

6. What percentage of your permanent employees are members of this recognized employee association?

Not Applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	ABL does not hire / promote Child labour / forced labour / involuntary labour	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company has a very strong process to identify and impart necessary training to upskill its employees. As a part of this process, every employee has to undergo a detailed evaluation and training. During the year, 112,912 hours of training was imparted to the employees of the Company.

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders? Yes / No

Yes. The Company has identified its stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company, as part of its CSR outreach programme, identifies disadvantaged, vulnerable & marginalized stakeholders. The financial literacy programme imparted through the CSR initiative, is a means to empower such stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The financial literacy programme conducted under the CSR initiative of the Company for the disadvantaged and vulnerable youth residing in the smaller towns and villages of the country.

Business Responsibility Report (Contd.)

Principle 5 – Business should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company advocates strong adherence to human rights for all its employees and other stakeholders. This is governed through the various policies instituted to protect the integrity of all such stakeholders. The Company practices a strong performance oriented culture with zero tolerance towards discrimination of any form. This philosophy is enshrined across the entire Group.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer to the Company's response against question number 2 under Principle 1.

Principle 6 – Business should respect, protect and make efforts to restore the environment

1. Coverage of the policy related to Principle 6 and its extension to the group/joint ventures/suppliers/contractors/NGO's/others

Within the ambit of its financial services business, the Company respects and upholds the sustainability of the environment by being a responsible consumer of limited natural resources.

2. The Company's strategies/initiatives to address global environmental issues, such as climate change, global warming and more

The Company operates under a completely digital model, therefore eliminating substantial usage of natural resources like paper and fossil fuels. The responsibility towards preserving environment is part of the core philosophy of the business and the Company strives towards attaining this objective with environmentally sustainable processes, policies and practices.

3. Identification and assessment of potential environmental risk

Not Applicable

4. Company's initiatives towards clean development mechanism

Not Applicable

5. The Company's initiatives on – clean technology, energy efficiency and renewable energy, among others

The Company ensures optimum usage of energy by installing energy efficient electronic equipments.

6. Reporting on the emissions/waste generated by the Company as per the permissible limits given by CPCB/SPCB

Not Applicable

7. Number of show cause/legal notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction) as on the end of the financial year

Not Applicable

Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- Association of National Exchange Members of India (ANMI)
- BSE Brokers' Forum (BBF)
- Association of Mutual Funds in India (AMFI)
- Commodity Participants Association of India (CPAI)
- Confederation of Indian Industry (CII)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Not Applicable

Business Responsibility Report (Contd.)

Principle 8 – Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8?

The Company, in its efforts to create an equitable environment and in adherence to its responsibility towards society, has engaged to support inclusive growth and fair development of youth of the country. One such initiative is the financial literacy programme being operated under its CSR outreach.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization

The Company collaborates by funding the external agencies, which specialize in the area of the programme conducted.

3. Have you done any impact assessment of your initiative?

In order to actively assess the impact of the CSR initiative undertaken, the agency provided the Company with a live dashboard facility to monitor and review the progress of the programme. During the course of this activity, over 10,000 students from small towns of Gujarat and Maharashtra were imparted knowledge under this programme.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Please refer CSR Report attached to the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Please refer Annexure III to the Director's Report and note number 48 of the consolidated financials for detailed information.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year.

0.1%

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

NA

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

The Company has not carried out any formal consumer survey / consumer satisfaction trends. However, the Company keeps track of responses / comments on social media network.

Independent Auditor's Report

To the Members of **Angel Broking Limited**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **Angel Broking Limited** ("the Company"), which comprise the Balance sheet as at 31 March, 2021 the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 standalone Financial Statements' section of our report. We are independent of the

Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>1. IT systems and controls</p> <p>We performed the following procedures assisted by specialised IT auditors on the IT infrastructure and applications relevant to financial reporting:</p> <ul style="list-style-type: none"> ● Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. ● Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised. ● Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. ● In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting. ● Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are

required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

Responsibilities of Management for the standalone 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 of these standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company

Independent Auditor's Report (Contd.)

and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 standalone Financial Statements

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

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

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

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Independent Auditor's Report (Contd.)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31 March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by 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 1" 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from

being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31 March, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 35 to the standalone 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 **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E / E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAAIM4727

Place of Signature: Mumbai

Date: 05 May, 2021

Independent Auditor's Report (Contd.)

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Angel Broking Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the FY 2018-19 in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) (a) The Company has granted loans to one company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
- (b) The Company has granted loans that are repayable on demand, to companies covered in the register maintained under section 189 of the Companies Act, 2013. The repayment of principal and interest during the year has been regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are outstanding as at year end.
- (iv) In our opinion and according to the information and explanations given to us, there were no loans, investments, guarantees and securities given during the year in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, goods and service tax, cess and other statutory dues applicable to it.
- As informed, the provisions of sales tax, wealth tax, value added tax, excise duty and customs duty are currently not applicable to the Company.
- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
Stamp Act	Stamp Duty on transfer of shares	56,159,651	2011-2019	Various	Unpaid as at 31 March, 2021

Independent Auditor's Report (Contd.)

As informed, the provisions of sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(c) According to the records of the Company, the dues of income-tax on account of dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	3,624,780	AY 2012-13	CIT (Appeals)
Income Tax Act, 1961	Income Tax Demand	93,902,220	AY 2009-10	Honorable High Court, Mumbai

As informed, the provisions of sales tax, wealth tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company did not have any outstanding loans or borrowing dues in respect of a government or dues to debenture holders during the year.
- (ix) In our opinion and according to information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of initial public offer and term loans were applied for the purpose for which they were raised, though idle funds which were not required for immediate utilisation have been deposited in a separate bank account. The amount of idle funds outstanding as at the end of the year was ₹ 25.29 million.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company, by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the limits specified in the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants

ICAI Firm Registration Number: 301003E / E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAAIM4727

Place of Signature: Mumbai

Date: 05 May, 2021

Independent Auditor's Report (Contd.)

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ANGEL BROKING 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 with reference to standalone financial statements of Angel Broking Limited ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial

statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

Independent Auditor's Report (Contd.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO [STANDALONE] FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E / E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAAIM4727

Place of Signature: Mumbai

Date: 05 May, 2021

Balance Sheet as at 31 March, 2021

(₹ in million)

	Note No.	As at 31 March, 2021	As at 31 March, 2020
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4	5,764.03	5,899.92
(b) Bank Balance other than cash and cash equivalent	5	12,746.49	7,852.00
(c) Trade Receivables	6	2,272.79	386.50
(d) Loans	7	10,632.76	2,495.67
(e) Investments	8	829.79	951.75
(f) Other financial assets	9	14,272.98	2,693.52
Non-financial Assets			
(a) Current tax assets (Net)	10	-	38.18
(b) Deferred tax assets (Net)	11	68.21	35.47
(c) Investment Property	12	33.94	1.28
(d) Property, Plant and Equipment	13	859.16	880.69
(e) Intangible assets under development		1.83	20.88
(f) Intangible assets	14	53.62	47.19
(g) Right of use assets	15	54.41	149.34
(h) Other non-financial assets	16	232.19	139.66
Total Assets		47,822.20	21,592.05
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Trade Payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		1.97	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		22,761.84	9,394.53
(b) Borrowings	18	11,713.79	4,877.28
(c) Other financial liabilities	19	1,785.75	1,285.62
Non-Financial Liabilities			
(a) Current tax liabilities (Net)	20	113.96	-
(b) Provisions	21	85.99	59.99
(c) Other non-financial liabilities	22	338.13	285.97
EQUITY			
(a) Equity Share capital	23	818.27	719.95
(b) Other Equity	24	10,202.50	4,968.71
Total Liabilities and Equity		47,822.20	21,592.05

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta

Partner

Membership No : 048749

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

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

(₹ in million)

	Note No.	Year ended 31 March, 2021	Year ended 31 March, 2020
REVENUE FROM OPERATIONS			
(a) Interest Income	25	1,692.21	1,489.97
(b) Fees and commission income	26	10,725.42	5,592.15
(c) Net gain on fair value changes	27	87.09	23.06
Total Revenue from operations (I)		12,504.72	7,105.18
(d) Other Income (II)	28	392.71	322.61
Total Income (I+II=III)		12,897.43	7,427.79
EXPENSES			
(a) Finance costs	29	396.33	488.29
(b) Fees and commission expense		3,629.78	2,304.40
(c) Impairment on financial instruments	30	340.74	376.10
(d) Employee benefits expenses	31	1,644.19	1,510.01
(e) Depreciation, amortization and impairment	32	174.24	201.50
(f) Others expenses	33	2,730.36	1,377.84
Total Expenses (IV)		8,915.64	6,258.14
Profit before tax (III-IV=V)		3,981.79	1,169.65
TAX EXPENSE:			
(a) Current Tax	11	1,028.45	281.93
(b) Deferred Tax		(28.85)	23.72
(c) Taxes for earlier years		78.22	(2.24)
Total Income tax expense (VI)		1,077.82	303.41
Profit for the year (V-VI=VII)		2,903.97	866.24
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains / (losses) on defined benefit plans		(15.46)	(12.42)
(b) Income tax relating to above items	11	3.89	3.13
Other Comprehensive Income for the year (VIII)		(11.57)	(9.29)
Total Comprehensive Income for the year (VII+VIII)		2,892.40	856.95
Earnings per equity share (Face value ₹ 10 each)	34		
Basic EPS (₹)		37.76	12.03
Diluted EPS (₹)		37.49	12.03

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta

Partner

Membership No : 048749

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

Cash Flow Statement for the year ended 31 March, 2021

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,981.79	1,169.65
Adjustments for non cash and non-operating activities:		
Depreciation and amortisation expense	174.24	201.50
Gain on cancellation of lease	(8.11)	(5.90)
Expense on Employee Stock option scheme	8.98	17.44
Interest received on inter-corporate deposit	(0.10)	(7.24)
Income from leased property	(9.17)	(8.50)
Interest expense on borrowings	360.90	432.15
Interest on Income tax refund	15.77	(1.67)
Impairment on investments of Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	125.00	-
Provision of expected credit loss on trade receivable	7.79	0.50
Bad debt written off	332.95	375.60
Interest income on financial assets	(12.06)	(11.25)
Dividend Income Current investments	-	(12.38)
Dividend Income from Subsidiaries	(58.72)	(33.00)
Loss / (Profit) on sale of property, plant and equipments	8.43	6.15
(Profit) / Loss on financial instruments designated at fair value through profit or loss	(87.09)	(23.06)
Operating profit before working capital changes	4,840.60	2,099.99
Changes in working capital		
Increase/ (decrease) in trade payables	13,369.28	3,019.56
Increase/ (decrease) in financial liabilities	500.13	(53.24)
Increase/ (decrease) in non-financial liabilities	52.16	56.40
Increase/ (decrease) in provisions	10.54	1.26
(Increase)/ decrease in trade receivables	(2,221.02)	1,382.02
(Increase)/ decrease in loans	(8,137.09)	4,543.02
(Increase)/ decrease in other bank balances	(4,894.49)	(2,534.85)
(Increase)/ decrease in other financial assets	(11,573.42)	(2,029.15)
(Increase)/ decrease in other non-financial assets	(92.53)	7.30
Cash generated from operations	(8,145.84)	6,492.31
Income tax paid	(970.30)	(268.82)
Net cash (used in) / generated from operating activities (A)	(9,116.14)	6,223.49
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets	(142.86)	(122.62)
Proceeds from sale of property, plant and equipment, intangible assets	4.10	1.22
Interest income on inter-corporate deposit	0.10	7.24
Income from lease property	9.17	8.50
Intercorporate deposit given	(4.80)	-
Intercorporate Deposit repaid	4.80	-
Dividend Income from Subsidiaries	58.72	33.00
Dividend Income current investments	-	12.38
Payment for purchase of mutual funds	(44,427.86)	(16,700.00)
Proceeds from sale of mutual funds	44,514.95	16,723.06
Net cash generated from / (used in) investing activities (B)	16.32	(37.22)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / Repayments of borrowings	6,940.38	(3,730.21)
Proceeds from vehicle loan	3.54	10.37
Repayment of vehicle loan	(12.03)	(8.37)
Proceeds from issue of equity shares	3,005.84	-

Cash Flow Statement for the year ended 31 March, 2021

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Share issue expenses	(151.57)	-
Interest paid on borrowings	(353.19)	(432.15)
Intercorporate Deposit taken	785.96	-
Intercorporate Deposit Repaid	(785.96)	-
Interim dividend	(426.58)	(194.39)
Dividend Tax Paid	-	(32.82)
Repayment of lease liabilities including interest	(42.46)	(63.09)
Net cash generated from / (used in) financing activities (C)	8,963.93	(4,450.66)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(135.89)	1,735.61
Cash and cash equivalents at the beginning of the year	5,899.92	4,164.31
Cash and cash equivalents at the end of the year	5,764.03	5,899.92
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	704.05	3,384.02
Fixed Deposits with original maturity less than 3 months*	5,057.32	2,514.39
Cash on hand	0.07	0.40
Cheques on hand	2.59	1.11
Total cash and bank balances at end of the year (Refer Note 4)	5,764.03	5,899.92

* Includes Fixed Deposits under lien with stock exchange as security deposits and minimum base capital requirements/arbitration matters amounting to ₹ NIL (31 March, 2020 ₹ 1.57 millions).

Notes:

1. Changes in liabilities arising from financing activities

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Opening balance	4,877.28	8,661.90
Addition during the year	7,743.04	80.12
Amortisation of interest and other charges on borrowings	7.71	17.25
Repayments during the year	(832.74)	(3,801.69)
Other adjustments	(81.50)	(80.30)
Closing balance	11,713.79	4,877.28

2. 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 **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta

Partner

Membership No : 048749

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

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

A EQUITY SHARE CAPITAL

(₹ in million)

	Amount
Equity Shares of ₹ 10 issued, subscribed and fully paid up	
Balance as on 01 April, 2019	719.95
Changes in Equity Share Capital during the year	-
Balance as at 31 March, 2020	719.95
Changes in Equity Share Capital during the year	98.32
Balance as at 31 March, 2021	818.27

B OTHER EQUITY (Refer Note 24)

(₹ in million)

	Reserve & Surplus			Equity-Settled share-based payment reserve	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 01 April, 2019	977.08	132.88	3,194.72	14.31	4,318.99
Profit for the year	-	-	866.24	-	866.24
Other comprehensive Income for the year	-	-	(9.29)	-	(9.29)
Addition for equity share options granted	-	-	-	19.98	19.98
Dividends paid (including dividend distribution tax)	-	-	(227.21)	-	(227.21)
Balance as at 31 March, 2020	977.08	132.88	3,824.46	34.29	4,968.71
Balance as at 01 April, 2020	977.08	132.88	3,824.46	34.29	4,968.71
Profit for the year	-	-	2,903.97	-	2,903.97
Other comprehensive Income for the year	-	-	(11.57)	-	(11.57)
Premium of equity shares issued	2,908.16	-	-	-	2,908.16
Utilised towards IPO expenses	(151.57)	-	-	-	(151.57)
Utilised towards equity share option exercised	-	-	-	(0.64)	(0.64)
Transfer to retained earnings from Equity-Settled share-based payment reserve	-	-	6.49	(6.49)	-
Addition for equity share options granted	-	-	-	12.02	12.02
Dividends paid	-	-	(426.58)	-	(426.58)
Balance as at 31 March, 2021	3,733.67	132.88	6,296.77	39.18	10,202.50

The accompanying notes are an integral part of the financials statements

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Firm Registration No. : 301003E / E300005
Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta
Partner
Membership No : 048749

Dinesh Thakkar
Chairman and Managing Director
Din : 00004382

Narayan Gangadhar
Chief Executive Officer
Place: San Francisco

Naheed Patel
Company Secretary
Membership No: ACS22506

Vineet Agrawal
Chief Financial Officer

Place : Mumbai
Date : 05 May, 2021

Place : Mumbai
Date : 05 May, 2021

Standalone Accounting Policies for the year ended 31 March, 2021

1 CORPORATE INFORMATION

Angel Broking Limited (the 'Company') was originally incorporated on 08 August, 1996 under the Companies Act, 1956. The Company has converted into public limited company w.e.f 28 June, 2018 via a Certificate of Incorporation, issued by Registrar of Companies, Mumbai, Maharashtra.

The Company is a member of National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEI) and a depository participant with Central Depository Services (India) Limited (CDSL). The Company is engaged in the business of stock, currency and commodity broking, providing margin trading facility, depository services and distribution of mutual funds, to its clients; and earns brokerage, fees, commission and interest income thereon. The Company has also been providing portfolio management services. It's registered office is situated at Mumbai, India. The registered office address of the company is G-1, ground floor, Akruti Trade Centre, road no.-7, MIDC, Andheri (East) Mumbai 400093.

2 BASIS OF PREPARATION AND PRESENTATION AND SIGNIFICANT ACCOUNTING POLICY

The 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, the Statement of Profit and Loss and disclosures 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, defined benefit- plan liabilities and share based payments being measured at fair value.

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

The standalone financial statements for the year ended 31 March, 2021 are being authorised for issue in accordance with a resolution of the directors on 05 May, 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 of accounting on accrual basis. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

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.

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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.

- (i) Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.
- (ii) 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) Depository services income are accounted as follows: Revenue from depository services on account of annual maintenance charges have been accounted for over the period of the performance obligation. Revenue from depository services on account of transaction charges is recognised point in time when the performance obligation is satisfied.
- (iv) Portfolio Management Fees are accounted over a period of time as follows:

Performance obligations are satisfied over a period of time and portfolio management fees are recognised in accordance with the Portfolio Management Agreement entered with respective clients i.e., as per predecided percentage over the portfolio managed by company.

- (v) 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).

- (vi) Delayed payment charges (Interest on late payments) are accounted at a point in time of default.
- (vii) In respect of other heads of Income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. An entity shall recognise a refund liability if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer.

2.2 Property, plant and equipment

(i) Recognition and measurement

Tangible 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

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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 capitalised 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 & Equipment	Useful life (in years)
Buildings	60
Lease hold Improvements	Amortised over the primary period of lease
Office Equipments	5
Air Conditioners	5
Computer Equipments	3 to 6
VSAT Equipments	5
Furniture and Fixtures	10
Vehicles	8

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period / 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 arising 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 Investment property

Investment property is property held to earn rentals and for capital appreciation. Investment Property are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

The carrying amount of an item of property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property 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.

Depreciation on investment property 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 is at 60 years for investment property.

2.4 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 amortisation are reviewed at each financial year end and adjusted prospectively, if appropriate.

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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.

2.5 Financial instruments

(i) Date of recognition

Financial assets and financial liabilities are recognised 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. Recognised 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 recognition. 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 financial 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 recognised 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

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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 amortised cost or as FVOCI or either designated, are measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss. The Company records investments in equity instruments and mutual funds 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 recognition, 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 derecognised 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

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liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in profit or loss.

(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) recognised during the year is recognised as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised 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.

2.6 Lease

Company as a lessee

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the company assess whether (i) the contract involves the use of an identified assets ; (ii) the company has substantially all the economic benefits from use of the assets through the period of the lease and (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognises a right-of-use assets (ROU) and a corresponding lease liability for all lease

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arrangements in which it is a lessee, except for leases with a term of 12 month or less (short term leases) and low value leases. For these short term and low value leases, the company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined the lease payments are discounted using the incremental borrowing rate.

Lease liability has been included in borrowing and ROU asset has been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a Lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the term of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

2.7 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 the statement of cash flows, cash and cash equivalents cash and short-term deposits are considered integral part of the Company's cash management. Outstanding bank overdrafts are not considered integral part of the Company's cash management.

2.8 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.

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2.9 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 actuarial assumptions are recognised in statement of Profit and Loss.

(iv) Share based payments

Equity-settled share-based payments to employees that are granted are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the vesting conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

In respect of options granted to the employees of the subsidiary companies, the amount equal to the expense for the grant date fair value of the award is recognised as a debit to investment in subsidiary as a capital contribution and a credit to equity.

2.10 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

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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 recognised 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 current management estimates. Contingent liabilities are recognised when there is possible obligation arising from past events.

2.11 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 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.

2.12 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 period. 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 period / year, except where the results are anti-dilutive.

2.13 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate.

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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.

2.14 Investment in subsidiaries

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

2.15 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.

2.16 Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on settlement of revenue transactions are recognised in the statement of profit and loss. Monetary assets and liabilities contracted in foreign currencies are restated at the rate of exchange ruling at the Balance Sheet date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

2.17 Segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

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 recognised 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

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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. For further details about determination of fair value please see Note 42.

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 India's 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.

Standalone Accounting Policies for the year ended 31 March, 2021

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 Share based payments

Estimating fair value for share based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share based payments transactions are discussed in Note 38.

3.6 Expected Credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit assessment and including forward looking information.

The inputs used and process followed by the company in determining the ECL have been detailed in Note 43.

3.7 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.

3.8 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.

3.9 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

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

4 CASH AND CASH EQUIVALENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	0.07	0.40
Balances with banks		
- in current accounts	704.05	3,384.02
- Fixed deposits with maturity of less than 3 months *	5,038.65	2,510.95
- Interest accrued on fixed deposit with maturity less than 3 months	18.67	3.44
Cheques on hand	2.59	1.11
Total	5,764.03	5,899.92

*Breakup of deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed deposits under lien with stock exchanges **	-	1.57
Fixed deposits against credit facilities of the company	5,038.65	2,509.38
Total	5,038.65	2,510.95

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

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Earmarked balances with banks towards unclaimed dividend	0.83	-
Fixed deposit with maturity for less than 12 months *	12,567.75	7,761.91
Fixed deposit with maturity for more than 12 months *	28.95	34.20
Interest accrued on fixed deposits	148.96	55.89
Total	12,746.49	7,852.00

*Breakup of deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed deposits under lien with stock exchanges **	9,431.26	6,369.89
Fixed deposits with government authorities	4.50	4.50
Fixed deposits free from charges	0.54	166.34
Fixed deposits against credit facilities of the company	1,055.88	55.88
Fixed deposits for bank guarantees	2,104.52	1,199.50
Total	12,596.70	7,796.11

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

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

6 TRADE RECEIVABLE

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Receivables considered good - Secured*	2,286.64	388.82
Receivables considered good - Unsecured*	1.16	10.91
Receivables which have significant increase in credit risk and	-	-
Receivables - credit impaired	-	-
Less : Provision for Expected Credit Loss / Impairment loss allowance	(15.01)	(13.23)
Total	2,272.79	386.50

No trade or other receivable are due from directors or others officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*Includes ₹ 1,789.34 million as on 31 March, 2021 (31 March, 2020: ₹ 83.52 million) receivable from stock exchanges on account of trades executed by clients.

7. LOANS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
(A) Loans measured at Amortised Cost		
(i) Loan for margin trading facility	10,535.37	2,471.28
Add: Accrued interest on margin trading fund	97.39	24.08
	10,632.76	2,495.36
(ii) Loans to employees*	-	0.31
Total (A) Gross	10,632.76	2,495.67
Less: Provision for expected credit loss	-	-
Total (A) Net	10,632.76	2,495.67
(B)		
(i) Secured by securities/shares	10,623.73	2,461.36
(ii) Unsecured	9.03	34.31
Total (B) Gross	10,632.76	2,495.67
Less: Provision for expected credit loss	-	-
Total (B) Net	10,632.76	2,495.67
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others		
- Body corporates	43.80	12.80
- Others (Includes Firms, Trusts, HUFs)	10,588.96	2,482.87
Total (C) Gross	10,632.76	2,495.67
Less: Provision for expected credit loss	-	-
Total (C) Net	10,632.76	2,495.67

* Includes loan to directors, unmortised amount of ₹ Nil (₹ 0.31 million as on 31 March, 2020). (Refer Note 39)

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

8 INVESTMENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Investment in India		
Measured at Fair Value through Profit or Loss:		
Investments in other equity instruments measured at Fair Value through Profit or Loss (refer note A)	0.00	0.00
Others:		
Investments in equity instruments of subsidiaries measured at Cost (refer note B)	947.90	947.90
Value of stock options granted to employees of subsidiaries*	6.89	3.85
Total Gross	954.79	951.75
Less: Impairment loss allowance**	(125.00)	-
Total Net	829.79	951.75

* The company has issued ESOP to group company employees and the excess of option value over the exercise price is recognised as a deemed investments. (Refer Note 38).

** The Company has made an investment into a wholly owned subsidiary which was operating into Gym business. The current economic environment on account of COVID-19 posed significant challenges to the Gym and healthcare business. After evaluating various options relating to sustainability of this business, Management of subsidiary company had decided to discontinue this business in their board meeting dated 23 June, 2020. Subsequent to the decision taken to discontinue the business, the Company has evaluated the carrying value of the investments as per the requirement of the accounting standards and recorded adequate provision for impairment of the investment. The Company has no significant continuing obligation towards this subsidiary.

Details of investments -

A. Investments in other equity instruments measured at Fair Value through Profit or Loss (fully paid-up)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Equity Shares in Hubtown Limited (face value of ₹ 350 each, 01 (01 share as on 31 March, 2020) (Represents ownership of premises as a member in co-operative society)	0.00	0.00
Total of (A)	0.00	0.00

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

B. Investments in equity instruments of subsidiaries (Unquoted, fully paid-up)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Investments measured at Cost (Unquoted)		
Investments in Equity shares of subsidiaries: (Fully paid up)		
- Angel Financial Advisors Private Limited (face value of ₹ 10 each, 25,000,000 (25,000,000 shares as on 31 March, 2020))	250.00	250.00
- Angel Securities Limited (face value of ₹ 10 each, 5,500,300 (5,500,300 shares as on 31 March, 2020))	67.12	67.12
- Mimansa Software Systems Private Limited (face value of ₹ 10 each, 10,000 (10,000 shares as on 31 March, 2020))	0.10	0.10
- Angel Fincap Private Limited (face value of ₹ 10 each, 5,516,400 (5,516,400 shares as on 31 March, 2020))	505.68	505.68
- Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited) (face value of ₹ 10 each, 12,500,000 (12,500,000 shares as on 31 March, 2020))	125.00	125.00
Total of (B)	947.90	947.90

Significant investment in the subsidiaries

Name of company	Principal place of business	Holding/ subsidiary / Associate
Angel Financial Advisors Private Limited	India	Wholly- Owned subsidiary
Angel Securities Limited		
Mimansa Software Systems Private Limited		
Angel Fincap Private Limited		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)		

9 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Security deposits*	14,177.26	2,652.40
Accrued delayed payment charges	1.91	2.34
Recoverable from subsidiaries	4.07	8.42
Long term deposits against arbitrations**	18.04	18.93
Less: Provision against arbitrations	(18.04)	(18.93)
Other Receivables	89.74	30.36
Total	14,272.98	2,693.52

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

*Security Deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Security deposits - Stock exchanges [#]	14,141.47	2,600.90
Security deposits - Premises	26.78	43.34
Security deposits - Others	9.01	8.16
Total	14,177.26	2,652.40

[#] The deposits are kept with stock exchanges as security deposits and minimum base capital requirements.

**Represent amount withheld by stock exchanges for cases filed by the customers that are under arbitration.

10 CURRENT TAX ASSETS (NET)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Advance payment of taxes and tax deducted at source (net of provisions for taxation: 31 March, 2021: ₹ NIL; 31 March, 2020: ₹ 1,518.99 million)	-	38.18
Total	-	38.18

11 DEFERRED TAX ASSETS (NET)

(A) Deferred tax relates to the following:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Deferred tax assets		
- Difference between book and tax depreciation	9.00	14.05
- Provision for gratuity	13.30	9.95
- Provision for Compensated absences	8.34	5.15
- Amalgamation expenses	-	0.09
- On lease capitalised as per Ind AS 116	3.73	2.79
- On security deposits measured at amortised cost	-	0.12
- On Impairment of investments	31.46	-
- On provision for Expected credit Loss on Trade receivables	3.78	3.33
	69.61	35.48
Deferred tax liabilities		
- On interest free loan to director measured at amortised cost	-	(0.01)
- On security deposits measured at amortised cost	(1.40)	-
- On amortisation of Processing fee	(0.00)	(0.00)
	(1.40)	(0.01)
Deferred tax asset (net)	68.21	35.47

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

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

(₹ in million)

Deferred tax assets/(liabilities)	OCI	Profit and Loss	Total
As at 01 April, 2019			56.07
Expense allowed in the year of payment (Gratuity and compensated absences)	3.13	(4.21)	(1.08)
Difference between book and tax depreciation	-	(3.35)	(3.35)
Lease capitalised as per Ind AS 116	-	(1.95)	(1.95)
Amalgamation expense	-	(0.15)	(0.15)
Provision for expected credit loss on trade receivable	-	(3.07)	(3.07)
Expense on Employee Stock option scheme	-	(4.54)	(4.54)
Disallowance u/s 40(a)(ia)	-	(6.39)	(6.39)
Others	-	(0.07)	(0.07)
As at 31 March, 2020			35.47
Expense allowed in the year of payment (Gratuity and compensated absences)	3.89	2.65	6.54
Difference between book and tax depreciation	-	(5.05)	(5.05)
Lease capitalised as per Ind AS 116	-	0.94	0.94
Amalgamation expense	-	(0.09)	(0.09)
Provision for expected credit loss on trade receivable	-	0.45	0.45
Impairment of Investments	-	31.46	31.46
Others	-	(1.51)	(1.51)
As at 31 March, 2021			68.21

(C) Income tax expense

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Current taxes	1,028.45	281.93
Deferred tax charge / (income)	(28.85)	23.72
Taxes for earlier years*	78.22	(2.24)
Total	1,077.82	303.41

*Taxes for earlier years includes amount of ₹ 76.11 million payable on account of final orders 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 years 2005 - 2006, 2008 - 2009 and 2010 - 2011.

(D) Income Tax recognised in other comprehensive income

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Deferred Tax asset related to items recognised in Other Comprehensive income during the year:		
- income tax relating to items that will not reclassified to profit or loss	3.89	3.13
Total	3.89	3.13

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(E) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Enacted income tax rate in India applicable to the company	25.17%	25.17%
Profit before tax	3,981.79	1,169.65
Tax amount at the enacted income tax rate	1,002.14	294.38
Tax effect on:		
Adjustment in respect of current income tax pertains to previous years	78.21	(2.24)
Non- deductible expenses for tax purpose	12.66	7.07
Income exempted from income taxes	-	(11.49)
Deductions on income	(14.78)	-
Additional allowance for tax purpose	(0.67)	(0.95)
Income Tax rate change impact	-	16.54
Others	0.26	0.10
Income tax expense charged to the statement of profit and loss	1,077.82	303.41
Effective tax rate	27.07%	25.94%

12 INVESTMENT PROPERTY

(A) Reconciliation of carrying amount

(₹ in million)

Gross carrying amount	
As at 01 April, 2019	1.33
Additions	-
Disposals/adjustments	-
As at 31 March, 2020	1.33
Additions	33.16
Disposals/adjustments	-
As at 31 March, 2021	34.49
Accumulated depreciation	
As at 01 April, 2019	0.02
Depreciation for the year	0.03
Disposals/adjustments	-
As at 31 March, 2020	0.05
Depreciation for the year	0.50
Disposals/adjustments	-
As at 31 March, 2021	0.55
Net block	
As at 31 March, 2020	1.28
As at 31 March, 2021	33.94
Fair value	
As at 31 March, 2020	25.07
As at 31 March, 2021	58.07

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(B) Amount recognised in Statement of Profit and Loss from investment property

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Rental income derived from investment properties	1.48	0.81
Direct operating expenses generating rental income	(0.24)	(0.14)
Income arising from investment properties before depreciation	1.24	0.67
Depreciation	(0.50)	(0.03)
Income arising from investment properties (Net)	0.74	0.64

(C) Measurement of fair values

(i) Fair value hierarchy

These fair value of investment property has been determined by Rane Engineers & Surveyors Private. Limited., an accredited independent valuer. The fair value measurement for the property to be valued is residential flat which is the highest and best use, been categorised as a level 2 fair value based on the inputs to the valuation technique. These inputs include comparable sale instances for 'Market Approach and Comparable Rental' instances for income approach.

(ii) Valuation technique

For the purpose of valuation, the primary valuation methodology used is Market Approach, as the best evidence of fair value is current prices in an active market for similar properties and cross checked by Income Capitalisation Approach. The market rate for sale/purchase of similar assets is representative of fair values. The property to be valued is at a location where active market is available for similar kind of properties. Income capitalization involves capitalizing a 'normalised' single - year net income estimated by an appropriate market-based yield. This approach is best utilised with stable revenue producing assets, whereby there is little volatility in the net annual income.

(D) Premises given on operating lease

The Company's investment properties consist of residential property in India given on cancellable lease for a period of 12 month.

(E) The total future minimum lease rentals receivable at the Balance Sheet date is as under:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
For a period not later than one year	-	-
For a period later than one year and not later than five years	-	-
For a period later than five years	-	-

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

13 PROPERTY, PLANT AND EQUIPMENT

	Buildings (Refer note (a))	Leasehold Improvements	Office Equipments	Air Conditioners	Computer Equipments	Furniture and Fixtures	Vehicles	Total
GROSS CARRYING AMOUNT								
As at 01 April, 2019	681.18	14.64	43.81	5.89	155.28	65.51	33.75	980.06
Additions	-	1.80	18.70	0.50	64.02	1.67	13.43	100.12
Deductions	-	(2.95)	(2.03)	(0.96)	(1.10)	(7.22)	-	(14.26)
Reclassification	1.60	(2.13)	(2.66)	-	1.81	0.72	-	(0.66)
As at 31 March, 2020	682.78	11.36	57.82	5.43	200.01	60.68	47.18	1,065.26
Additions	-	-	1.73	0.22	86.89	1.74	4.35	94.93
Deductions	(0.19)	(5.03)	(2.14)	(1.19)	(2.18)	(2.80)	(8.68)	(22.21)
As at 31 March, 2021	682.59	6.33	57.41	4.46	284.72	59.62	42.85	1,137.98
ACCUMULATED DEPRECIATION								
As at 01 April, 2019	13.07	2.89	11.96	1.59	34.18	19.23	4.65	87.57
Depreciation for the year	13.09	3.38	19.64	1.44	42.44	18.28	6.21	104.48
Disposals	-	(1.41)	(0.96)	(0.32)	(0.60)	(3.59)	-	(6.88)
Reclassification	1.76	(1.85)	(1.26)	(0.01)	0.54	0.22	-	(0.60)
As at 31 March, 2020	27.92	3.01	29.38	2.70	76.56	34.14	10.86	184.57
Depreciation for the year	13.06	2.08	11.73	0.97	56.99	12.34	7.11	104.28
Disposals	(0.01)	(2.15)	(1.73)	(0.70)	(1.70)	(1.50)	(2.24)	(10.03)
As at 31 March, 2021	40.97	2.94	39.38	2.97	131.85	44.98	15.73	278.82
Net block								
As at 31 March, 2020	654.86	8.35	28.44	2.73	123.45	26.54	36.32	880.69
As at 31 March, 2021	641.62	3.39	18.03	1.49	152.87	14.64	27.12	859.16

(a) Includes value of shares in the co-operative society, aggregating to ₹ 0.0005 million (31 March, 2020: ₹ 0.0005 million) registered in the name of the Company.

(b) There are no adjustments to property, plant and equipment on account of borrowing costs and exchange differences. There is no revaluation of property, plant and equipment during the year/previous year.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

14 INTANGIBLE ASSETS

(₹ in million)

	Computer Software
GROSS CARRYING AMOUNT	
Deemed cost as at 01 April, 2019	93.15
Additions	7.30
Deductions	-
Reclassification	0.79
As at 31 March, 2020	101.24
Additions	33.82
Deductions	(1.08)
As at 31 March, 2021	133.98
ACCUMULATED AMORTIZATION	
As at 01 April, 2019	28.12
Depreciation for the year	25.23
Disposals	-
Reclassification	0.70
As at 31 March, 2020	54.05
Depreciation for the year	27.04
Disposals	(0.73)
As at 31 March, 2021	80.36
NET BLOCK	
As at 31 March, 2020	47.19
As at 31 March, 2021	53.62

15 RIGHT OF USE ASSETS

(₹ in million)

Carrying amount as at 01 April, 2019	204.98
Addition	73.27
Adjustments/deletion	(57.15)
Depreciation for the year	(71.76)
Carrying amount as at 31 March, 2020	149.34
Addition	13.16
Adjustments/deletion	(65.67)
Depreciation for the year	(42.42)
Carrying amount as at 31 March, 2021	54.41

Refer Note 41 for details of carrying value of Right of use assets.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

16 OTHER NON FINANCIAL ASSETS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Prepaid expenses	71.93	50.85
Advance to vendor	38.98	12.80
Balance with government authorities	119.23	30.30
Advance to employee	1.88	1.42
Others	0.17	44.29
Total	232.19	139.66

17 TRADE PAYABLES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Total outstanding dues of micro enterprises and small enterprises*	1.97	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Trade payables- Clients**	22,739.73	9,368.53
- Trade payables - Expenses	22.11	26.00
Total	22,763.81	9,394.53

** Includes ₹ 443.46 million as on 31 March, 2021 (31 March, 2020: ₹ 813.44 million) payable to stock exchanges on account of trades executed by clients.

* 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.

18 BORROWINGS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
BORROWINGS MEASURED AT AMORTISED COST (IN INDIA)		
Secured		
(a) Term loans from banks and financial institution (Refer note a)	12.12	20.61
(b) Loan repayable on demand (Refer note b)		
Overdraft / Loan from banks / NBFCs	7,064.83	2,503.16
Working Capital Demand Loan	4,579.17	2,200.46
Unsecured		
(c) Lease liability payable over the period of the lease (Refer note c)	57.67	153.05
Total	11,713.79	4,877.28

Rate of interest is ranging from 3.35 Percent to 8.90 Percent for above borrowings.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(a) Security and terms of repayment of borrowings from banks:

The aforesaid term loans from banks are secured by hypothecation of vehicles, repayable in 60 monthly instalments except two loans which is repayable in 36 and 48 monthly instalments from the start of the loan.

(b) Security against borrowings from banks repayable on demand:

(₹ in million)

SECURITY	As at 31 March, 2021	As at 31 March, 2020
Hypothecation of book debts and personal guarantee of a director	4,703.23	-
Hypothecation of current assets of the company and personal guarantee of a director.	-	1,249.93
Lien on fixed deposits of the Company (Refer note 4 and 5) and of it's certain subsidiaries	5,940.77	2,553.59
Mortgage of property and personal guarantee of a director	1,000.00	900.10
	11,644.00	4,703.62

(c) Movement of lease liabilities

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening Balance	153.05	209.44
Additions	13.16	69.75
Adjustments/Deletions	(73.79)	(63.05)
Interest expense	7.71	17.25
Lease payments	(42.46)	(80.34)
Closing Balance	57.67	153.05

19 OTHER FINANCIAL LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Interest accrued but not due on borrowings	15.58	0.69
Book Overdraft	1.39	1.02
Payable to Sub broker	1,180.95	966.08
Employee Benefits Payable	155.31	95.86
Expenses payable	355.66	177.81
Other payables	76.86	44.16
Total	1,785.75	1,285.62

20 CURRENT TAX LIABILITIES (NET)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Income tax Payable (net of advance payment of taxes and tax deducted at source: 31 March, 2021: ₹ 2,527.43 million; 31 March, 2020: ₹ NIL)	113.96	-
Total	113.96	-

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

21 PROVISIONS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (Refer note 37)	52.86	39.54
Provision for compensated absences	33.13	20.45
Total	85.99	59.99

22 OTHER NON FINANCIAL LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Statutory dues payable	284.28	182.59
Revenue received in advance	53.85	103.38
Total	338.13	285.97

23 EQUITY SHARE CAPITAL

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
AUTHORISED		182.59
100,000,000 (31 March, 2020 : 100,000,000) Equity shares of ₹ 10/- each.	1,000.00	1,000.00
	1,000.00	1,000.00
ISSUED, SUBSCRIBED AND PAID UP		
81,826,507 (31 March, 2020 : 71,995,003) Equity shares of ₹ 10/- each.	818.27	719.95
Total	818.27	719.95

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

(₹ in million)

	No. of shares	Amount
Outstanding at as at 01 April, 2019	71,995,003	719.95
Add: Changes during the year	-	-
Outstanding at as at 31 March, 2020	71,995,003	719.95
Issued during the year - IPO	9,803,921	98.04
Issued during the year - ESOP	27,583	0.28
Outstanding at as at 31 March, 2021	81,826,507	818.27

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed if any 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 Company, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in proportion to their shareholding.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(c) Details of shares held by shareholders holding more than 5 Percent of the aggregate shares in the Company as on 31 March, 2021

Name of the shareholder	Number of shares	% of holding
Dinesh Thakkar	16,768,805	20%
International Finance Corporation, Washington	9,006,124	11%
Lalit Thakkar	7,097,234	9%
Nirwan Monetary Services Private Limited	6,065,310	7%
Mukesh Gandhi jointly with Bela Gandhi	4,934,727	6%
Total	43,872,200	53%

Details of shares held by shareholders holding more than 5 Percent of the aggregate shares in the Company as on 31 March, 2020

Name of the shareholder	Number of shares	% of holding
Dinesh Thakkar	16,768,805	23%
International Finance Corporation, Washington	12,927,760	18%
Lalit Thakkar	8,936,780	13%
Nirwan Monetary Services Private Limited	6,065,310	8%
Mukesh Gandhi jointly with Bela Gandhi	5,581,500	8%
Nishith Shah Jointly with Jitendra Shah	4,087,500	6%
Total	54,367,655	76%

(d) In the financial year 2017-18 the Company has allotted fully paid bonus shares amounting to ₹ 57.46 million by capitalization of securities premium and issued shares under Employee Share Purchase Scheme amounting to ₹ 0.17 million.

24 OTHER EQUITY

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
General reserve	132.88	132.88
Securities premium	3,733.67	977.08
Retained Earnings	6,296.77	3,824.46
Equity-Settled share-based payment reserve	39.18	34.29
Total	10,202.50	4,968.71

(A) General reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	132.88	132.88
Add : Changes during the year	-	-
Closing balance	132.88	132.88

(B) Securities premium

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	977.08	977.08
Add : Addition during the year	2,908.16	-
Less : Utilised towards IPO expenses	(151.57)	-
Closing balance	3,733.67	977.08

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(C) Retained earnings

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	3,824.46	3,194.72
Add : Net profit for the year	2,903.97	866.24
Add : Transferred from Equity-Settled share-based payment reserve	6.49	-
Less : Interim dividend paid	(426.58)	(194.39)
Less : Tax on interim dividend	-	(32.82)
Less : Re-measurement loss on post employment benefit obligation (net of tax)	(11.57)	(9.29)
Closing balance	6,296.77	3,824.46

(D) Equity-Settled share-based payment reserve (Refer note 38)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	34.29	14.31
Add: Compensation expense recognised during the year	8.98	17.44
Add: Options granted to employees of subsidiaries	3.04	2.54
Less: utilised towards equity share option exercised	(0.64)	-
Less: Transferred to retained earnings	(6.49)	-
Closing balance	39.18	34.29

NATURE AND PURPOSE OF RESERVES

(A) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified Percentage in accordance with applicable regulations, however the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(B) Securities premium

Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(C) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to generate 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).

(D) Equity-Settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with the value of share options granted to the employees by the Company. Once shares are issued by the Company, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

25 INTEREST INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On financial assets measured at Amortised Cost		
Interest on margin trading fund	1,166.70	1,105.07
Interest on fixed deposits under lien with stock exchanges	496.18	324.25
Interest on delayed payment by customers	29.33	60.65
Total	1,692.21	1,489.97

26 FEES AND COMMISSION INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Brokerage	9,065.41	5,039.05
Income from depository operations	888.77	345.40
Portfolio management services fees	0.28	2.16
Income from distribution operations	102.32	47.94
Investment advisory services	67.82	39.67
Other operating Income	600.82	117.93
Total	10,725.42	5,592.15

Revenue from contracts with customers

Set out below is the disaggregated information on revenue from contracts with customers:

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
TYPES OF SERVICES		
Revenue from contract with customers	10,725.42	5,592.15
Geographical markets		
Within India	10,725.42	5,592.15
Outside India	-	-
Total revenue from contract with customers	10,725.42	5,592.15
Timing of revenue recognition		
Services transferred at a point in time	10,439.26	5,384.64
Services transferred over time	286.16	207.51
Total revenue from contracts with customers	10,725.42	5,592.15

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

Contract Balances

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Trade receivables	2,272.79	386.50
Revenue received in advance (Contract liability)*	53.85	103.38

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Amounts included in contract liability at the beginning of the year	103.38	73.65

* Applying practical expedient as given in Ind AS 115, the Company has not disclosed movement of contract liabilities as the performance obligation is part of a contract that has an original expected duration of one year or less..

27 NET GAIN ON FAIR VALUE CHANGES*

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On financial instruments designated at fair value through profit or loss on Investments		
Investment in Equity Shares	-	-
Investment in Mutual Funds	87.09	23.06
Total net gain on fair value changes	87.09	23.06
Fair Value changes:		
-Realised	87.09	23.06
-Unrealised	-	-

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

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

28 OTHER INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Income from co-branding	0.11	16.18
Interest on inter-corporate deposits	0.10	7.24
Bad debts recovered	74.91	49.59
Gain on cancellation of lease	8.11	5.90
Other interest income measured at amortised cost		
- Interest on security deposits	6.05	5.44
- Interest on loan to employees	-	0.22
- Interest on trade receivables	6.01	5.59
- Interest on deposits with banks	219.87	173.75
Interest on income tax refund	-	1.67
Dividend Income Current investments	-	12.38
Dividend Income from Subsidiaries	58.72	33.00
Lease income from subsidiary companies	7.69	7.69
Lease income from director	1.48	0.81
Miscellaneous income	9.66	3.15
Total	392.71	322.61

29 FINANCE COSTS

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On financial liabilities measured at Amortised Cost		
Interest expense on bank overdraft	344.59	430.47
Interest on lease liabilities	7.71	17.25
Interest expense on vehicle loan	1.45	1.68
Interest expense on Inter-corporate Deposits	7.15	-
Bank guarantee and commission charges	35.43	38.89
Total	396.33	488.29

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

30 IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Financial instruments measured at Amortised Cost		
Trade receivables	7.79	0.50
Bad debts written off (net)	332.95	375.60
Total	340.74	376.10

31 EMPLOYEE BENEFITS EXPENSES

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Salaries, allowances, Incentives and bonus	1,495.28	1,351.51
Contribution to provident and other funds (refer note 37)	53.68	67.88
Gratuity expenses (refer note 37)	8.90	8.59
Compensated absences expenses	19.86	17.28
Training and recruitment expenses	40.47	27.47
Staff welfare expenses	17.02	19.84
Expense on employee stock option scheme (refer note 38)	8.98	17.44
Total	1,644.19	1,510.01

32 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Depreciation on property plant and equipment	104.28	104.48
Depreciation on investment property	0.50	0.03
Amortization of intangible assets	27.04	25.23
Depreciation on right to use assets	42.42	71.76
Total	174.24	201.50

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

33 OTHER EXPENSES

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Rent, rates and taxes	23.41	24.73
Communication costs	85.26	57.33
Printing and stationery	20.07	46.36
Advertisement and publicity	1,279.83	476.75
Directors' sitting fees	2.28	1.96
Legal and Professional charges	293.26	171.56
Insurance	3.35	3.79
Interest on income tax	15.77	-
Software connectivity license/maintenance expenses	365.43	217.68
Impairment on investment in subsidiary	125.00	-
Travel and conveyance	83.33	117.32
Electricity	16.23	45.87
Administrative support services	29.20	30.01
Demat Charges	216.56	25.92
Membership and subscription fees	10.90	3.11
Loss on account of error trades (net)	31.28	19.78
Loss on sale of property plant and equipment	8.43	6.15
Corporate social responsibility expenses (Refer note 46)	26.10	21.03
Repairs and maintenance		
- Buildings	8.05	8.66
- Others	6.33	15.44
Auditors' remuneration*	4.30	4.18
Office expenses	15.64	32.29
Bank charges	17.94	9.91
Security guards expenses	5.77	8.19
Miscellaneous expenses	36.64	29.82
Total	2,730.36	1,377.84

* Auditors' remuneration

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
For Statutory audit fees	2.20	4.00
For other services (including quarterly audit, Limited reviews and certificates)	2.09	-
Out of pocket expense	0.01	0.18
Total	4.30	4.18

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

34 EARNINGS PER SHARE

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit attributable to all equity holders	2,903.97	866.24
Weighted average number of equity shares used in computing Basic Earnings per Equity Share (A)	76,914,929	71,995,003
Basic earnings per share (₹) (FV of ₹ 10 each)	37.76	12.03
Potential number of Equity share that could arise on exercise of Employee Stock options (B)	543,698	-
Weighted average number of shares used in computing Diluted Earnings per Equity Share (A+B)	77,458,627	71,995,003
Diluted earnings per share (₹) (FV of ₹ 10 each)	37.49	12.03

35 CONTINGENT LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Guarantees		
(i) Bank guarantees with exchanges as margin /government authorities	4,181.50	2,401.50
Others		
(i) Claims against the company not acknowledged as debts*	54.83	48.64
(ii) Disputed income tax demands not provided for (Refer note (a) below)	101.44	249.92
	4,337.77	2,700.06

*Relates to legal claims filed against us by our customers in the ordinary course of business.

Note (a):

Above disputed income tax demands not provided for includes:

- (i) ₹ 7.53 million on account of disallowance made as speculation loss for Assessment Year 2012-13 vide reassessment order dated 15 December, 2017 passed by Assessing Officer. Company filed an appeal before CIT(A);
- (ii) ₹ 93.91 million on account of disallowance made as speculation loss for Assessment Year 2009-10 considered by ITAT in favour of the Company. Department filed an appeal before Hon'ble High Court of Bombay on 25 July, 2018.

Above disputed income tax demands does not include interest u/s 234B and u/s 234C of the Income Tax Act, 1961 as the same is not determinable till the final outcome. The management believes that the ultimate outcome of the above proceedings will not have a material adverse effect on the Company's financial position and result of operations.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

36 CAPITAL COMMITMENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Capital commitment for purchase of property, plant and equipments and Intangible assets	9.53	2.62

37 EMPLOYEE BENEFITS

(A) Defined Contribution Plans

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

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Employers' Contribution to Provident Fund and Employee State Insurance	53.68	67.88

(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.

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.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(i) Principal assumptions used for the purposes of the actuarial valuations

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
ECONOMIC ASSUMPTIONS		
Discount rate (per annum)	5.10%	5.74%
Salary Escalation rate	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%	99%
(ii) Thereafter	29%	2%
(B) Non-sales employees		
(i) For service less than 4 years	49%	49%
(ii) Thereafter	19%	2%
Retirement age	58 years	58 years

(ii) Amount recognised in balance sheet

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Present value of unfunded defined benefit obligation	52.86	39.54
Net liability recognized in Balance Sheet	52.86	39.54
Current benefit obligation	17.96	3.49
Non-current obligation	34.90	36.05
Net liability recognized in Balance Sheet	52.86	39.54

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

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Present value of obligation at the beginning of the year	39.54	27.22
Interest cost on DBO	2.36	2.07
Current service cost	6.54	6.52
Benefits paid	(11.04)	(8.69)
Actuarial (gain)/ loss on obligations		
- Effect of change in Financial Assumptions	2.48	4.28
- Demographic Assumptions	4.18	-
- Experience (gains)/losses	8.80	8.14
Present value of obligation at the end of the year	52.86	39.54

The weighted average duration of defined benefit obligation is 3.05 years as at 31 March, 2021 (31 March, 2020: 3.35 years).

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

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

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Service cost	6.54	6.52
Net Interest cost	2.36	2.07
Total expenses recognized in the Statement Profit and Loss	8.90	8.59

(v) Expense recognized in Other comprehensive income

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Remeasurements due to -		
- Effect of change in financial assumptions	2.48	4.28
- Demographic Assumptions	4.18	-
- Effect of experience adjustments	8.80	8.14
Net actuarial (gains) / losses recognised in OCI	15.46	12.42

(vi) Quantitative sensitivity analysis

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Impact on defined benefit obligation		
Discount rate		
1% increase	(1.99)	(4.51)
1% decrease	2.36	5.15
Salary escalation rate		
1% increase	2.56	4.76
1% decrease	(2.13)	(4.14)
Withdrawal rate		
1% increase	0.02	2.06
1% decrease	(0.03)	(1.82)

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(vii) Maturity profile of defined benefit obligation

(₹ in million)

Year	As at 31 March, 2021	As at 31 March, 2020
Within next 12 months	18.42	3.59
Between 2 and 5 years	31.25	7.67
Between 5 and 10 years	16.00	9.04
Beyond 10 years	7.63	64.95
Total expected payments	73.30	85.25

38 EMPLOYEE STOCK OPTION PLAN

- (a) - On 26 April, 2018, the board of directors approved the Angel Broking Employee Stock Option Plan 2018 (ESOP Plan 2018) for issue of stock options to the key employees and directors of the company and its subsidiaries. According to the ESOP Plan 2018, the employee selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 14 months and subject to performance parameters defined in the ESOP Plan 2018. The contractual life (comprising the vesting period and the exercise period) of options granted is 50 months.
- On 28 January, 2021, the Board of Directors approved the Angel Broking Employee Long Term Incentive Plan, 2021 (LTI Plan, 2021) for issue of Options, Restricted Stock Units and Performance Stock Units to the Eligible employees of the Company and its subsidiaries to attract, retain and motivate key talent, align individual performance with the Company objective by rewarding senior management and key high performing employees, subject to the approval of shareholders. The shareholders approved the LTI Plan, 2021 through Postal ballot on 05 March, 2021. According to the LTI Plan, 2021, the committee will decide which of the eligible employees should be granted Award units under the Plan and accordingly, the committee would offer the Award units to the identified employees under the Plan to the extent permissible by applicable laws. Selection of participants for a given year will be based on and include role scope, level, performance and future potential, manager recommendation and any other criteria as approved by the committee for the given year.

(b) Summary of option granted under the scheme

	Year ended 31 March, 2021		Year ended 31 March, 2020	
	Number of option LTI Plan, 2021	Number of option ESOP Plan 2018	Number of option LTI Plan, 2021	Number of option ESOP Plan 2018
Opening balance	-	2,257,600	NA	2,534,370
Granted during the year	705,504	-	NA	-
Exercised during the year*	-	(27,583)	NA	-
Forfeited / Lapsed during the year	-	(698,770)	NA	(276,770)
Closing balance	705,504	1,531,247		2,257,600
Vested and exercisable	-	384,304	NA	183,640

*The weighted average share price at the date of exercise of options exercised during the year ended 31, March, 2021 is ₹ 337.47 (31 March, 2020: ₹ NA)

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(c) Expiry date and exercises prices of the share options outstanding for scheme

ESOP Plan 2018

Grant date	Expiry date	Exercise price	Share options as at 31 March, 2021	Share options as at 31 March, 2020
11 May, 2018	11 July, 2020	211.51	86,674	147,990
11 May, 2018	11 July, 2021	211.51	207,128	347,920
11 May, 2018	11 July, 2022	211.51	330,090	521,880
11 May, 2018	11 July, 2023	211.51	440,120	695,840
01 August, 2018	01 October, 2020	211.51	11,270	16,450
01 August, 2018	01 October, 2021	211.51	18,032	32,900
01 August, 2018	01 October, 2022	211.51	33,810	49,350
01 August, 2018	01 October, 2023	211.51	45,080	65,800
15 October, 2018	15 December, 2020	211.51	12,000	12,000
15 October, 2018	15 December, 2021	211.51	24,000	30,000
15 October, 2018	15 December, 2022	211.51	45,000	45,000
15 October, 2018	15 December, 2023	211.51	60,000	60,000
02 November, 2018	02 January, 2021	211.51	7,200	7,200
02 November, 2018	02 January, 2022	211.51	18,000	18,000
02 November, 2018	02 January, 2023	211.51	27,000	27,000
02 November, 2018	02 January, 2024	211.51	36,000	36,000
18 March, 2019	18 May, 2021	211.51	-	14,427
18 March, 2019	18 May, 2022	211.51	28,854	28,854
18 March, 2019	18 May, 2023	211.51	43,281	43,281
18 March, 2019	18 May, 2024	211.51	57,708	57,708
Total			1,531,247	2,257,600
Weighted average remaining contractual life of options outstanding at end of year			0.74 years	1.48 years

LTI Plan 2021

Grant date	Expiry date	Exercise price	Share options as at 31 March, 2021	Share options as at 31 March, 2020
30 March, 2021	30 March, 2025	337.90	705,504	NA
Total			705,504	
Weighted average remaining contractual life of options outstanding at end of year			2.5 years	NA

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(d) The fair value of each option granted is estimated on the date of grant using the black Scholes model with the following inputs:

Scheme	ESOP Plan 2018 - A	ESOP Plan 2018 - B	ESOP Plan 2018 - C
Grant date	11 May, 2018	01 August, 2018	15 October, 2018
Weighted average fair value of options granted	20.13	7.26	2.78
Exercise price	211.51	211.51	211.51
Share price at the grant date	211.51	142.37	103.17
Expected volatility	28.44%- 40.95%	31.30%-40.30%	34.21%-39.95%
Risk free interest rate	7.04%- 7.78%	7.14%-7.81%	7.47%-7.86%
Expected dividend yield	30%	30%	30%
Scheme	ESOP Plan 2018 - D	ESOP Plan 2018 - E	LTI Plan, 2021 - A
Grant date	02 November, 2018	18 March, 2019	30 March, 2021
Weighted average fair value of options granted	2.68	2.18	57.02
Exercise price	211.51	211.51	337.90
Share price at the grant date	100.34	95.31	295.80
Expected volatility	36.99%-41.46%	40.03%-41.14%	50.20%- 48.53%
Risk free interest rate	7.20%-7.63%	6.58%-7.00%	5.95%- 6.29%
Expected dividend yield	30%	30%	100%

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

Life of options - The employees have a period of 1 year from last vesting date, to exercise their vested options. The management expects that these options will be exercised over the exercise period.

(e) Expense arising from share based payment transaction

	Year ended 31 March, 2021	Year ended 31 March, 2020
Gross expense arising from share based payments	12.02	19.98
Less: Options granted to employees of subsidiaries recognised as deemed investment in subsidiaries	(3.04)	(2.54)
Employee share based payment expense recognised in statement of profit and loss	8.98	17.44

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

39 RELATED PARTY DISCLOSURES:

(A) Names of related parties and nature of relationship

		As at 31 March, 2021	As at 31 March, 2020
(a) Subsidiary Companies			
Angel Financial Advisors Private Limited	India	100%	100%
Angel Fincap Private Limited	India	100%	100%
Angel Securities Limited	India	100%	100%
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	India	100%	100%
Mimansa Software Systems Private Limited	India	100%	100%
(b) Individuals owning directly or indirectly interest in voting power that gives them control or significant influence			
Mr. Dinesh Thakkar	Chairman and Managing Director		
(c) Relatives of above individuals			
Mr. Ashok Thakkar	Brother of Mr. Dinesh Thakkar		
Ms. Kanta Thakkar	Wife of Mr. Dinesh Thakkar		
Mr. Mahesh Thakkar	Brother of Mr. Dinesh Thakkar		
Mr. Vinay Thakkar	Son of Mr. Dinesh Thakkar		
Dinesh Thakkar HUF	HUF		
(d) Key Management Personnel			
Mr. Vinay Agrawal	CEO and Director		
Ms. Anisha Motwani	Independent Director		
Mr. Kamalji Jagat Bhushan Sahay	Independent Director		
Mr. Uday Sankar Roy	Independent Director		
Ms. Naheed Patel	Company Secretary		
(e) Enterprises in which director is a member			
Nirwan Monetary Services Private Limited			
Jack and Jill Apparel Private Limited			
Angel Insurance Brokers and Advisors Private Limited			

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
INTEREST RECEIVED		
Subsidiaries		
Angel Fincap Private Limited	-	1.87
Angel Financial Advisors Private Limited	0.10	0.00
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	-	5.37
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	-	0.01
INTEREST PAID		
Subsidiaries		
Angel Fincap Private Limited	7.15	-
INCOME FROM BROKING ACTIVITIES		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and its relatives		
Mr. Ashok Thakkar	0.05	0.04
Mr. Dinesh Thakkar	0.01	0.39
Mr. Vinay Thakkar	0.01	-
Ms. Kanta Thakkar	0.00	-
Key Management Personnel		
Mr. Vinay Agrawal	0.00	-
Enterprises in which director is a member		
Jack and Jill Apparel Private Limited	-	0.01
Nirwan Monetary Service Private Limited	0.02	0.05
DIVIDEND RECEIVED		
Subsidiaries		
Angel Financial Advisors Private Limited	13.75	33.00
Angel Fincap Private Limited	30.34	-
Angel Securities Limited	12.38	-
Mimansa Software Systems Private Limited	2.25	-
EMPLOYEE STOCK OPTION PLAN		
Subsidiaries		
Angel Financial Advisors Private Limited	0.67	0.65
Angel Fincap Private Limited	2.37	1.89
LEASE INCOME		
Subsidiaries		
Angel Securities Limited	0.07	0.07
Angel Financial Advisors Private Limited	6.73	6.73
Angel Fincap Private Limited	0.89	0.89
LEASE INCOME FROM FURNISHED PROPERTY		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence		
Mr. Dinesh Thakkar	1.48	0.81

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
SOFTWARE MAINTENANCE CHARGES		
Subsidiary		
Mimansa Software Systems Private Limited	9.60	9.60
BUSINESS SUPPORT SERVICES INCURRED (INCLUDES ELECTRICITY AND INSURANCE)		
Subsidiaries		
Angel Securities Limited	0.02	0.25
Angel Financial Advisors Private Limited	2.10	3.82
Angel Fincap Private Limited	1.37	2.28
Mimansa Software Systems Private Limited	0.26	0.37
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	0.32	1.70
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	0.00	-
BUSINESS SUPPORT SERVICES RECEIVED (INCLUDES BUSINESS SUPPORT SERVICES AND CAR PARKING)		
Subsidiaries		
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	4.61	-
REIMBURSEMENT OF EXPENSES		
Subsidiaries		
Angel Securities Limited	0.00	0.00
Angel Financial Advisors Private Limited	1.15	3.23
Angel Fincap Private Limited	0.36	0.80
Mimansa Software Systems Private Limited	0.01	0.57
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	-	0.00
REMUNERATION PAID		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence		
Mr. Dinesh Thakkar	31.55	25.21
Key Management Personnel		
Mr. Vinay Agrawal	26.71	19.14
Ms. Naheed Patel	2.20	2.07
DIRECTORS' SEETING FEES		
Key Management Personnel		
Ms. Anisha Motwani	0.38	0.52
Mr. Kamalji Jagat Bhushan Sahay	0.54	0.72
Mr. Uday Sankar Roy	0.54	0.72
PURCHASE OF PROPERTY		
Enterprises in which director is a member		
Nirwan Monetary Service Private Limited	24.09	-

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
LOANS TAKEN		
Subsidiaries		
Angel Fincap Private Limited	785.96	-
REPAYMENT OF LOAN TAKEN		
Subsidiaries		
Angel Fincap Private Limited	785.96	-
DIVIDEND PAID		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and its relatives		
Mr. Dinesh Thakkar	84.66	45.28
Dinesh Thakkar HUF	3.11	1.67
Ms. Kanta Thakkar	0.03	0.01
Mr. Ashok Thakkar	9.84	8.64
Mr. Mahesh Thakkar	0.01	0.01
Enterprises in which director is a member		
Nirwan Monetary Service Private Limited	30.62	16.38
Key Management Personnel and their relatives		
Mr. Vinay Agrawal	1.10	0.59
LOANS GIVEN		
Subsidiaries		
Angel Financial Advisors Private Limited	4.80	6.80
Angel Fincap Private Limited	-	387.00
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	-	30.58
REPAYMENT OF LOAN GIVEN		
Subsidiaries		
Angel Financial Advisors Private Limited	4.80	6.80
Angel Fincap Private Limited	-	387.00
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	-	150.82
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	-	0.09

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

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

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
RECOVERABLE FROM GROUP COMPANIES		
Subsidiaries		
Angel Securities Limited	0.02	0.25
Angel Financial Advisors Private Limited	2.10	3.82
Angel Fincap Private Limited	1.37	2.28
Mimansa Software Systems Private Limited	0.26	0.37
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	0.32	1.70
LOANS		
Key Management Personnel		
- Vinay Agrawal	-	0.31
OTHER RECEIVABLES		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence		
- Dinesh Thakkar	7.50	7.50

Overdraft against Fixed Deposits facility is available to the tune of ₹ 131.95 million which is secured against a lien on fixed deposits of Angel Financial Advisors Private Limited ("a wholly owned subsidiary") Refer note 18(b) for personal guarantee given by director against overdraft facilities obtained from banks.

No rent is charged on property taken from one of the directors which is used as an office by the Company. ₹ 7.50 million pertains to security deposits paid against the same property.

Provision for post-employment benefits like gratuity fund and leave encashment are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

Amounts recoverable from group companies and other receivable from director are unsecured and receivable in cash.

40 SEGMENT REPORTING

The Company's operations predominantly relate to equity, currency and commodity broking and its related activities 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.

The Company operates in one geographic segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

The Company is presenting consolidated financial statements and hence in accordance with "IND AS 108 Segment Reporting", segment information is disclosed in consolidated financial statements

41 LEASES

Information about lease

The Company has taken office premises at certain locations on operating lease. The agreements are executed for a period ranging from 11 months to 120 months.

The changes in the carrying value of right of use assets for the year ended 31 March, 2021 and 31 March, 2020 has been disclosed in Note 15.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

The aggregate depreciation expense on right of use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The movement in lease liabilities has been disclosed in Note 18.

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Less than one year	26.72	82.09
One to five years	39.73	130.48
More than five years	0.99	6.15
Total	67.44	218.72

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

The total cash outflows for leases are ₹ 42.88 million for the year ended 31 March, 2021 (31 March, 2020: ₹ 81.40 million).

Short term and low value lease:

Rental expense incurred and paid for short term leases was ₹ 1.02 million (31 March, 2020 : ₹ 0.77 million).

Rental expense incurred and paid for Low value leases was ₹ Nil (31 March, 2020 : ₹ 0.02 million).

COVID-19-related rent concessions (Amendment to Ind AS 116)

- The Company has adopted the amendment to Ind AS 116 in its financial statements for all rent concessions that meet the criteria and
- As a result of above the company has accounted for rent concessions of ₹ 41.86 million (31 March, 2020 : ₹ Nil) as negative variable lease payments in the statement of profit and loss.

42 FAIR VALUE MEASUREMENT

A Financial instruments by category :

(₹ in million)

	FVOCI	FVTPL	Amortised Cost
AS AT 31 MARCH, 2020			
Financial Assets (other than investment in subsidiaries)*			
Cash and cash equivalents	-	-	5,899.92
Bank Balance other than cash and cash equivalent	-	-	7,852.00
Trade Receivables	-	-	386.50
Loans	-	-	2,495.67
Investments	-	0.00	-
Other Financial assets	-	-	2,693.52
Total Financial Assets	-	0.00	19,327.61
Financial Liabilities			
Trade payables	-	-	9,394.53
Borrowings	-	-	4,877.28
Other financial liabilities	-	-	1,285.62
Total Financial liabilities	-	-	15,557.43

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

	FVOCI	FVTPL	Amortised Cost
AS AT 31 MARCH, 2021			
Financial Assets (other than investment in subsidiaries) *			
Cash and cash equivalents	-	-	5,764.03
Bank Balance other than cash and cash equivalent	-	-	12,746.49
Trade Receivables	-	-	2,272.79
Loans	-	-	10,632.76
Investments	-	0.00	-
Other Financial assets	-	-	14,272.98
Total Financial Assets	-	0.00	45,689.05
Financial Liabilities			
Trade payables	-	-	22,763.81
Borrowings	-	-	11,713.79
Other financial liabilities	-	-	1,785.75
Total Financial liabilities	-	-	36,263.35

* Investment in subsidiaries is measured at cost as at 31 March, 2021 and 31 March, 2020.

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:

(₹ in million)

	Level 1	Level 2	Level 3	Total
AS AT 31 MARCH, 2020				
Financial assets				
Measured at fair value through profit or loss *				
Investment in equity instruments	0.00	-	-	0.00
AS AT 31 MARCH, 2021				
Financial assets				
Measured at fair value through profit or loss *				
Investment in equity instruments	0.00	-	-	0.00

The carrying amount of cash and bank balances, trade receivables, loans, trade payables, borrowings and other receivables and payables are considered to be the same as their fair values due to their short term 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 investment in equity investment valued at quoted closing price on stock exchange / other basis based on materiality.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorised 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. The Company is exposed to interest rate risk arising mainly from borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings. At the reporting date, the interest profile of the Company's borrowings is as follows:

Exposure to interest rate risk

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed rate borrowings	69.79	173.66
Variable rate borrowings	11,644.00	4,703.62
Total borrowings	11,713.79	4,877.28

Interest rate sensitivity

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

	Increase/ decrease in basis points	Effect on profit before tax
31 March, 2020		
₹	50 bp	(23.52)
₹	(50 bp)	23.52
31 March, 2021		
₹	50 bp	(58.22)
₹	(50 bp)	58.22

(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, loans, term deposits, 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. Security deposits are kept with stock exchanges for meeting minimum base capital requirements. 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.

Expected credit loss**A) Trade receivables**

The Company applies the Ind AS 109 simplified approach to measure 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 as follow:

- Receivable from Brokerage (Secured by collaterals mainly in form of Securities of listed Company)
- Receivable from Exchange (Unsecured)
- Receivable from Depository (Secured by collaterals mainly in form of Securities of listed Company)

Receivable from Exchange (Unsecured) : There are no historical loss incurred in respect of Receivable from exchange. Entire exposure/receivable as at each reporting period is received and settled within 7 days from reporting period. Therefore, no ECL is recognised in respect of receivable from exchange.

Receivable from Brokerage and depository: Company has large number of customer base with shared credit risk characteristics. As per policy of the Company, trade receivable to the extent not covered by collateral (i.e. unsecured trade receivable) is considered as default and are fully written off as bad debt against respective trade receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the income statement as bad debts recovered. Trade receivable of the company are of short duration with credit period ranging up to maximum 30 days. In case of delay in collection, the Company has right to charges interest (commonly referred as delayed payment charges) on overdue amount for the overdue period. However, in case of receivable from depository, the Company doesn't have right to charge interest. Though credit period given to customer in respect of receivable from depository is very short, generally there is significant delay in ultimate collection. The Company has computed expected credit loss due to significant delay in collection. Incremental borrowing rate is considered as effective interest rate on these trade receivable for the purpose of computing time value loss.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Trade receivable		
Past due 1-30 days	2,163.29	260.09
Past due 31-60 days	0.47	14.26
Past due 61-90 days	0.24	3.85
Past due more than 90 days	123.80	121.53
Loss allowances	(15.01)	(13.23)
Carrying amount	2,272.79	386.50

Movements in the allowances for impairment in respect of trade receivables is as follows:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening Provision	13.23	18.32
Creation / (utilisation) during the year	1.78	(5.09)
Closing provision	15.01	13.23

B) Loan against Margin Trading facilities:

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has large number of customer base with shared credit risk characteristics. Loan against margin trading facilities are secured by collaterals. As per policy of the Company, loan against Margin trade facilities to the extent not covered by collateral (i.e. unsecured portion) is considered as default and are fully written off as bad debt against respective loan receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these loans is the maximum contractual period (i.e. on demand/one day).

For the computation of ECL, the loan against margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

Staging as per Ind AS 109	Loan receivable including interest
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The company does not have any loan book which may fall under stage 2 or stage 3.

ECL is computed as follow assuming that these loans are fully recalled by the Company at each reporting period:

EAD is considered as loan receivable including interest (net of write off).

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

PD is considered at 100 % for all loans receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

Collaterals

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
Loans for Margin trading facility	99.96%	98.76%	Shares and securities

(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 as at 31 March, 2021

(₹ in million)

	Borrowings	Trade payables	Other financial liabilities	Total
0-1 year	6.83	22,761.84	1,785.75	24,554.42
1-2 year	4.65	-	-	4.65
2-3 year	4.16	-	-	4.16
3-4 year	1.42	-	-	1.42
Beyond 4 years	0.51	-	-	0.51
Total	17.57	22,761.84	1,785.75	24,565.16

The table below summarizes the maturity profile of the Company's financial liabilities as at 31 March, 2020

(₹ in million)

	Borrowings	Trade payables	Other financial liabilities	Total
0-1 year	4,703.61	9,394.53	1,285.62	15,383.76
1-2 year	5.97	-	-	5.97
2-3 year	3.79	-	-	3.79
3-4 year	3.29	-	-	3.29
Beyond 4 years	0.56	-	-	0.56
Total	4,717.22	9,394.53	1,285.62	15,397.37

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

44 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in million)

	As at 31 March, 2021		
	Current (Less than 12 months)	Non-Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	5,764.03	-	5,764.03
Bank Balance other than cash and cash equivalent	12,714.81	31.68	12,746.49
Trade Receivables	2,272.79	-	2,272.79
Loans	10,632.76	-	10,632.76
Investments	-	829.79	829.79
Other financial assets	104.23	14,168.75	14,272.98
Deferred tax assets (Net)	-	68.21	68.21
Investment Property	-	33.94	33.94
Property, Plant and Equipment	-	859.16	859.16
Intangible assets under development	-	1.83	1.83
Other Intangible assets	-	53.62	53.62
Right to use assets	-	54.41	54.41
Other non-financial assets	106.58	125.61	232.19
Total Assets	31,595.20	16,227.00	47,822.20
Liabilities			
Trade Payables	22,761.84	-	22,761.84
Borrowings	11,677.15	36.64	11,713.79
Other financial liabilities	1,785.75	-	1,785.75
Current tax liabilities (Net)	113.96	-	113.96
Provisions	39.48	46.51	85.99
Other non-financial liabilities	338.13	-	338.13
Total Liabilities	36,716.31	83.15	36,799.46

(₹ in million)

	As at 31 March, 2020		
	Current (Less than 12 months)	Non-Current (More than 12 months)	Total
Assets			
Cash and cash equivalents	5,899.92	-	5,899.92
Bank Balance other than cash and cash equivalent	7,815.52	36.48	7,852.00
Trade Receivables	386.50	-	386.50
Loans	2,495.67	-	2,495.67
Investments	-	951.75	951.75
Other financial assets	46.99	2,646.53	2,693.52
Tax assets (Net)	-	38.18	38.18
Deferred tax assets (Net)	-	35.47	35.47

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

	As at 31 March, 2020		
	Current (Less than 12 months)	Non-Current (More than 12 months)	Total
Investment Property	-	1.28	1.28
Property, Plant and Equipment	-	880.69	880.69
Intangible assets under development	-	20.88	20.88
Other Intangible assets	-	47.19	47.19
Right to use assets	-	149.34	149.34
Other non-financial assets	108.52	31.14	139.66
Total Assets	16,753.12	4,838.93	21,592.05
Liabilities			
Trade Payables	9,394.53	-	9,394.53
Borrowings	4,766.63	110.65	4,877.28
Other financial liabilities	1,285.62	-	1,285.62
Provisions	15.70	44.29	59.99
Other non-financial liabilities	285.97	-	285.97
Total Liabilities	15,748.45	154.94	15,903.39

45 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.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. There is no non compliance with any covenants of borrowings.

(₹ in million)

		As at 31 March, 2021	As at 31 March, 2020
Borrowings		11,713.79	4,877.28
Less: cash and cash equivalents		(5,764.03)	(5,899.92)
Net debt	(i)	5,949.76	(1,022.64)
Total Equity	(ii)	11,020.77	5,688.66
Total Capital	(i) + (ii) = (iii)	16,970.53	4,666.02
Gearing ratio	(i) / (iii)	35 %	(22)%

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

46 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

Gross amount required to be spent by the company during the year ₹ 26.10 million (Previous year ₹ 21.03 million)

Amount spent during the year ending 31 March, 2021:

(₹ in million)

	In Cash	Yet to be paid in cash	Total
Construction / acquisition of any asset	-	-	-
On purpose of other than above	26.10	-	26.10

Amount spent during the year ending 31 March, 2020:

(₹ in million)

	In Cash	Yet to be paid in cash	Total
Construction / acquisition of any asset	-	-	-
On purpose of other than above	21.03	-	21.03

47 The Company, in the current year, has completed the Initial Public Offering (IPO) of 1,96,07,835 Equity Shares of Face Value of ₹ 10 each for cash at a price of ₹ 306 per Equity Share aggregating to ₹ 6,000 million comprising a Fresh Issue of 98,03,921 Equity Shares aggregating to INR 3,000 million and on offer for sale of 98,03,914 Equity Shares aggregating to INR 3,000 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 05 October, 2020.

The details of utilization of IPO proceeds of ₹ 2,831.70 million, net of IPO expenses of the Company are as follows:

Particulars	Total amount	Utilised up to 31 March, 2021	Un-utilised up to 31 March, 2021
working capital requirements	2,300.00	2,300.00	-
General corporate purposes	531.7	506.41	25.29
Total utilised/un-utilised funds	2,831.70	2,806.41	25.29

48 SUBSEQUENT EVENTS

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

- The Board of Directors at its meeting held on 22 April, 2021, have declared third interim dividend of ₹ 7.5 per equity share.

49 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.

Notes forming part of the Financial Statements for the year ended 31 March, 2021 (Contd.)

50 The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the virus, including, lockdowns, and restrictions on movement of people and goods across different geographies.

Stock broking services, being part of Capital Market operations have been declared as essential services and accordingly the Company has faced no business interruption on account of the lockdowns. In case there is a disruption in the functioning of capital markets, the business of the Company may be affected.

There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 pandemic on the Company. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of assets and liabilities is minimal. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may intern have an impact on the operations of the Company.

51 The financial statements of the company were authorised for issue in accordance with a resolution of the directors on 05 May, 2021.

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Firm Registration No. : 301003E / E300005
Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta
Partner
Membership No : 048749

Dinesh Thakkar
Chairman and Managing Director
Din : 00004382

Narayan Gangadhar
Chief Executive Officer
Place: San Francisco

Naheed Patel
Company Secretary
Membership No: ACS22506

Vineet Agrawal
Chief Financial Officer

Place : Mumbai
Date : 05 May, 2021

Place : Mumbai
Date : 05 May, 2021

Independent Auditor's Report

To the Members of **Angel Broking Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>1. IT systems and controls</p> <p>We performed the following procedures assisted by specialised IT auditors on the IT infrastructure and applications relevant to financial reporting:</p> <ul style="list-style-type: none"> ● Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. ● Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised. ● Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. ● In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting. ● Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

The Holding 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 consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the

relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited consolidated financial statements. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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 respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

Independent Auditor's Report (Contd.)

of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the

Independent Auditor's Report (Contd.)

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose financial statements include total assets of ₹ 1,603.30 million as at 31 March, 2021, and total revenues of ₹ 194.57 million and net cash outflows of ₹ 118.71 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the

amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding

Independent Auditor's Report (Contd.)

Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended 31 March, 2021 has been paid/provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors

on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements - Refer Note 36 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March, 2021;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended 31 March, 2021.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E / E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAAIM4727

Place of Signature: Mumbai

Date: 05 May, 2021

Independent Auditor's Report (Contd.)

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ANGEL BROKING LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Angel Broking Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March, 2021 we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

Independent Auditor's Report (Contd.)

that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal

financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2021 based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these five subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E / E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 21048749AAAAIM4727

Place of Signature: Mumbai

Date: 05 May, 2021

Consolidated Balance Sheet as at 31 March, 2021

(₹ in million)

	Note No.	As at 31 March, 2021	As at 31 March, 2020
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	4	5,877.76	6,132.36
(b) Bank Balance other than cash and cash equivalents	5	12,896.71	8,003.23
(c) Trade Receivables	6	2,276.95	390.27
(d) Loans	7	11,284.93	2,805.78
(e) Investments	8	55.40	352.65
(f) Other Financial assets	9	14,289.33	2,705.83
Non-financial Assets			
(a) Inventories	10	-	0.45
(b) Current tax assets (Net)	11	14.82	49.18
(c) Deferred tax assets (Net)	12	47.02	48.89
(d) Investment Property	13	33.94	1.28
(e) Property, Plant and Equipment	14	1,004.43	1,038.77
(f) Intangible assets under development		1.83	20.88
(g) Intangible assets	15	54.73	47.41
(h) Right of use assets	16	55.18	153.16
(i) Other non-financial assets	17	245.26	151.63
Total Assets		48,138.29	21,901.77
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
(a) Trade Payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		1.97	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		22,762.32	9,394.93
(b) Borrowings	19	11,714.69	4,908.79
(c) Other financial liabilities	20	1,797.06	1,304.65
Non-Financial Liabilities			
(a) Current tax liabilities (Net)	21	120.52	0.45
(b) Provisions	22	90.99	67.08
(c) Other non-financial liabilities	23	340.77	311.68
EQUITY			
(a) Equity Share capital	24	818.27	719.95
(b) Other Equity	25	10,491.70	5,194.24
Total Liabilities and Equity		48,138.29	21,901.77

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta

Partner

Membership No : 048749

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

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

(₹ in million)

	Note No.	Year ended 31 March, 2021	Year ended 31 March, 2020
REVENUE FROM OPERATIONS			
(a) Interest Income	26	1,769.44	1,577.38
(b) Fees and Commission Income	27	10,778.22	5,644.00
(c) Net gain on fair value changes	28	89.18	24.86
Total Revenue from operations (I)		12,636.84	7,246.24
(d) Other Income (II)	29	352.98	300.90
Total Income (I+II=III)		12,989.82	7,547.14
EXPENSES			
(a) Finance Costs	30	389.34	488.59
(b) Fees and commission expense		3,629.78	2,304.40
(c) Impairment on financial instruments	31	346.04	377.10
(d) Employee Benefits Expenses	32	1,718.45	1,598.03
(e) Depreciation, amortization and impairment	33	183.60	209.17
(f) Others expenses	34	2,610.94	1,382.18
Total Expenses (IV)		8,878.15	6,359.47
Profit before tax (III-IV=V)		4,111.67	1,187.67
TAX EXPENSE:			
(a) Current Tax	12	1,041.77	297.31
(b) Deferred Tax		3.92	24.55
(c) Taxes for earlier years		85.40	(2.08)
Total Income tax expense (VI)		1,131.09	319.78
Profit for the year from continuing operations (V-VI=VII)		2,980.58	867.89
Loss before tax from discontinued operations (before tax) (VIII)	52	(10.44)	(39.21)
Tax expense on discontinued operations (IX)	52	1.58	5.22
Loss after tax from discontinued operations (VIII-IX=X)		(12.02)	(44.43)
Profit for the year (VII+X=XI)		2,968.56	823.46
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains / (losses) on defined benefit plans		(16.72)	(12.85)
(b) Income tax relating to items that will not be reclassified to profit or loss	12	4.22	3.24
Other Comprehensive Income (XII)		(12.50)	(9.61)
Total Comprehensive Income for the year (XI+XII)		2,956.06	813.85
Earnings per equity share from Continuing operations (FV ₹ 10 each)	35		
Basic EPS - (₹)		38.75	12.05
Diluted EPS - (₹)		38.48	12.05
Earnings per equity share from Discontinuing operations (FV ₹ 10 each)	35		
Basic EPS - (₹)		(0.16)	(0.62)
Diluted EPS - (₹)		(0.16)	(0.62)
Earnings per equity share from total operations (FV ₹ 10 each)	35		
Basic EPS - (₹)		38.60	11.44
Diluted EPS - (₹)		38.32	11.44

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

Viren H. Mehta

Partner

Membership No : 048749

For and on behalf of the Board of Directors

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

Consolidated Cash Flow Statement for the year ended 31 March, 2021

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,101.23	1,148.46
Adjustments for non cash and non-operating activities:		
Depreciation and amortisation expense	188.93	221.24
Gain on cancellation of lease	(8.28)	(5.90)
Expense on Employee Stock option scheme	12.02	19.98
Income from leased property	(1.48)	(0.81)
Interest expense on borrowings	354.60	436.35
Interest on Income tax refund	(0.19)	(1.76)
Provision on expected credit loss on trade receivables	7.79	0.50
Provision on expected credit loss on loans	4.21	0.98
Interest income on financial assets	(12.19)	(11.33)
Dividend Income on Mutual fund	(0.13)	(21.49)
Bad debts written off	334.04	375.76
Loss / (Profit) on sale of property, plant and equipments	8.60	6.28
(Profit) / Loss on financial instruments designated at fair value through profit or loss	(89.18)	(24.86)
Operating profit before working capital changes	4,899.97	2,143.40
Changes in working capital		
Increase / (decrease) in trade payables	13,369.36	3,017.33
(Increase) / decrease in inventories	0.45	0.00
Increase / (decrease) in other financial liabilities	492.41	(53.55)
Increase / (decrease) in other non financial liabilities	29.09	49.75
Increase / (decrease) in provisions	7.19	1.88
(Increase) / decrease in trade receivables	(2,222.50)	1,385.50
(Increase) / decrease in loans	(8,483.36)	4,810.32
(Increase) / decrease in Other Bank Balances	(4,893.48)	(2,613.12)
(Increase) / decrease in other financial assets	(11,577.31)	(2,022.02)
(Increase) / decrease in other non-financial assets	(93.62)	6.32
Cash generated from operations	(8,471.80)	6,725.81
Income tax paid	(971.95)	(292.85)
Net cash (used in) / generated from operating activities (A)	(9,443.75)	6,432.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets	(144.17)	(126.18)
Proceeds from sale of property, plant and equipment, intangible assets	4.10	1.25
Income from lease property	1.48	0.81
Dividend Income from mutual funds	0.13	21.49
Payment for purchase of mutual funds	(44,530.44)	(17,000.50)
Proceeds from sale of mutual fund and shares	44,916.87	16,821.81
Net cash generated from / (used in) investing activities (B)	247.97	(281.32)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayments) of borrowings	6,940.38	(3,763.97)
Proceeds from term and vehicle loan	3.54	10.37
Repayment of term and vehicle loan	(39.48)	-
Proceeds from issue of equity shares	3,005.84	-
Share issue expenses	(151.57)	-
Interest paid on borrowings	(346.69)	(436.35)

Consolidated Cash Flow Statement for the year ended 31 March, 2021

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Interim Dividend Paid	(426.58)	(194.39)
Dividend Tax Paid	-	(39.60)
Repayment of lease liabilities including interest	(44.26)	(64.96)
Net cash generated from / (used in) financing activities (C)	8,941.18	(4,488.90)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(254.60)	1,662.74
Cash and cash equivalents at the beginning of the year	6,132.36	4,469.62
Cash and cash equivalents at the end of the year	5,877.76	6,132.36
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	816.60	3,611.93
Fixed Deposits with original maturity less than 3 months*	5,057.32	2,514.39
Cash on hand	0.07	0.65
Cheques on hand	3.77	5.39
Total cash and bank balances at end of the year (Refer Note 4)	5,877.76	6,132.36

* Includes Fixed Deposits under lien with stock exchange as security deposits and minimum base capital requirements / arbitration matters amounting to ₹ Nil (31 March, 2020 ₹ 1.57 million).

Notes

1. Changes in liabilities arising from financing activities

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Opening balance	4,908.79	8,718.18
Addition during the year	6,953.54	72.21
Proceeds from vehicle loan	3.54	10.37
Amortisation of interest and other charges on borrowings	7.91	17.79
Repayments during the year	(75.83)	(3,828.93)
Other adjustments	(83.27)	(80.83)
Closing balance	11,714.69	4,908.79

2. 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 **S.R. Batliboi & Co. LLP**

Firm Registration No. : 301003E / E300005

Chartered Accountants

Viren H. Mehta

Partner

Membership No : 048749

For and on behalf of the Board of Directors

Dinesh Thakkar

Chairman and Managing Director

Din : 00004382

Narayan Gangadhar

Chief Executive Officer

Place: San Francisco

Naheed Patel

Company Secretary

Membership No: ACS22506

Vineet Agrawal

Chief Financial Officer

Place : Mumbai

Date : 05 May, 2021

Place : Mumbai

Date : 05 May, 2021

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

A EQUITY SHARE CAPITAL

(₹ in million)

	Amount
Equity Shares of ₹ 10 issued, subscribed and fully paid up	
Balance as on 01 April, 2019	719.95
Changes in Equity Share Capital during the year	-
Balance as at 31 March, 2020	719.95
Changes in Equity Share Capital during the year	98.32
Balance as at 31 March, 2021	818.27

B OTHER EQUITY (Refer Note 25)

(₹ in million)

	Reserve & Surplus						Equity-Settled share-based payment reserve	Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Statutory Reserve	Capital Reserve	Impairment reserve		
Balance at 01 April, 2019	132.85	977.08	3,358.22	57.22	53.59	1.13	14.31	4,594.40
Profit for the year	-	-	823.46	-	-	-	-	823.46
Other Comprehensive Income for the year	-	-	(9.61)	-	-	-	-	(9.61)
Transferred to Statutory Reserve	-	-	(8.11)	8.11	-	-	-	-
Dividends paid (including dividend distribution tax)	-	-	(233.99)	-	-	-	-	(233.99)
Addition for equity share options granted	-	-	-	-	-	-	19.98	19.98
Balance at 31 March, 2020	132.85	977.08	3,929.97	65.33	53.59	1.13	34.29	5,194.24
Balance at 01 April, 2020	132.85	977.08	3,929.97	65.33	53.59	1.13	34.29	5,194.24
Profit for the year	-	-	2,968.56	-	-	-	-	2,968.56
Other Comprehensive Income for the year	-	-	(12.50)	-	-	-	-	(12.50)
Premium of equity shares issued	-	2,908.16	-	-	-	-	-	2,908.16
Utilised towards IPO expenses	-	(151.57)	-	-	-	-	-	(151.57)
Utilised towards equity share option exercised	-	-	-	-	-	-	(0.64)	(0.64)
Transfer to retained earnings from Equity-Settled share-based payment reserve	-	-	6.49	-	-	-	(6.49)	-
Addition for equity share options granted	-	-	-	-	-	-	12.03	12.03
Transfer from retained earnings to Statutory Reserve	-	-	(5.79)	5.79	-	-	-	-
Dividends paid	-	-	(426.58)	-	-	-	-	(426.58)
Balance at 31 March, 2021	132.85	3,733.67	6,460.15	71.12	53.59	1.13	39.19	10,491.70

The accompanying notes are an integral part of the financials statements

As per our report of even date
 For **S.R. Batliboi & Co. LLP**
 Firm Registration No. : 301003E / E300005
 Chartered Accountants

For and on behalf of the Board of Directors

Viren H. Mehta
 Partner
 Membership No : 048749

Dinesh Thakkar
 Chairman and Managing Director
 Din : 00004382

Narayan Gangadhar
 Chief Executive Officer
 Place: San Francisco

Naheed Patel
 Company Secretary
 Membership No: ACS22506

Vineet Agrawal
 Chief Financial Officer

Place : Mumbai
 Date : 05 May, 2021

Place : Mumbai
 Date : 05 May, 2021

Consolidated Accounting Policies for the year ended 31 March, 2021

1 CORPORATE INFORMATION

Angel Broking Limited ('ABL' or the 'Company') is the holding Company, and its subsidiaries together referred as 'Group'. The Company has converted into public limited company w.e.f 28 June, 2018 via a Certificate of Incorporation issued by Registrar of Companies, Mumbai, Maharashtra.

The Company is a diversified financial services company and along-with its subsidiaries is primarily engaged in the business of stock, commodity and currency broking, Institutional broking, providing margin trading facility, depository services and distribution of mutual funds, lending as a Non-Banking Finance Company (Non - deposit accepting) and corporate agents of insurance companies. The Company through its other subsidiaries, is engaged in offering health and allied fitness services, software consultancy and annual maintenance services.

The Company is a member of National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEI) and a depository participant with Central Depository Services (India) Limited (CDSL). The Company is engaged in the business of stock, currency and commodity broking, margin trading facility, depository services and distribution of mutual funds, to its clients; and earns brokerage, fees, commission and interest income thereon. The Company has also been providing portfolio management services. The registered office address of the company is G-1, ground floor, Akruiti Trade Centre, road no.-7, MIDC, Andheri (East) Mumbai 400093.

2 BASIS OF PREPARATION AND PRESENTATION AND SIGNIFICANT ACCOUNTING POLICY

The 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, the Statement of Profit and Loss and disclosures are presented in the format prescribed under Division III of Schedule III of the companies Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') 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, defined benefit- plan liabilities and share based payments being measured at fair value.

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

The consolidated financial statements for the period ended 31 March, 2021 are being authorised for issue in accordance with a resolution of the directors on 05 May, 2021.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March, 2021. The Company consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March, 2021.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

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 of accounting on accrual basis. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

The Group 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 Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

(i) Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

(ii) 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) Depository services income are accounted as follows:

Revenue from depository services on account of annual maintenance charges have been accounted for over the period of the performance obligation.

Revenue from depository services on account of transaction charges is recognised point in time when the performance obligation is satisfied.

(iv) Portfolio Management Fees are accounted over a period of time as follows:

Performance obligations are satisfied over a period of time and portfolio management fees are recognised in accordance with the Portfolio Management Agreement entered with respective clients i.e., as per predecided percentage over the portfolio managed by group.

(v) 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.

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

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).

- (vi) Delayed payment charges (Interest on late payments) are accounted at a point in time of default.
- (vii) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Membership fees and Personal training fees are recognised as income over the period of income.
- (viii) Revenue from software consultancy charges are accounted over a period of time as per terms and conditions.
- (ix) Syndication fees are accrued based on completion of assignments in accordance with terms of understanding.
- (x) In respect of other heads of Income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. An entity shall recognise a refund liability if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer.

2.2 Property, plant and equipment

(i) Recognition and measurement

Tangible 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 incurred on assets put to use is capitalised only when it increases the future economic benefits/functioning capability from/of such assets.

(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:-

Asset Class	Useful life of Asset (In Years)
Buildings	60
Office equipments	5
Air Conditioner	5
Computer Equipments	3 to 6
Furniture and Fixtures	10
VSAT Equipments	5
leasehold Improvements	Amortised over the primary period of lease
Gym Equipments	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.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

of profit and loss in the year the asset 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 Investment property

Investment property is property held to earn rentals and for capital appreciation. Investment Property are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The carrying amount of an item of property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property 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.

Depreciation on investment property 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 is at 60 years for investment property.

2.4 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 Group. 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 amortisation 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.

2.5 Financial instruments

(i) Date of recognition

Financial assets and financial liabilities are recognised in the group's balance sheet when the Group 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 Group becomes a party to the contractual provisions of the instrument. Recognised 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 recognition. 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 Group 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

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

hold assets to collect contractual cash flows ('Asset held to collect contractual cash flows'); and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('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 recognised 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 amortised cost or as FVOCI or either designated, are measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss. The Group records investments in equity instruments and mutual funds at FVTPL.

(B) Financial liabilities and equity instrument

Debt and equity instruments issued by the Group 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 Group 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 group does not have any financial liability which are measured at FVTPL.

(iv) Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group 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 Group has transferred its rights to receive cash flows from the asset and the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Group 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 derecognised 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 recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in profit or loss.

(vi) Impairment of financial assets

A) Trade receivables

The Group 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 Group 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 Group has also computed expected credit loss due to significant delay in collection.

B) Loans

In accordance with Ind AS 109, the Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles. At each reporting date, the Group assesses whether the loans have been impaired. The Group is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding as follows:

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PD	The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
EAD	The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
LGD	The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Stage 1 : Loan receivable including interest overdue for less than 30 days past due.

Stage 2 : Loan receivable including interest overdue between 30-90 days past due.

Stage 3 : Loan receivable including interest overdue for more than 90 days past due.

For the purpose determining the stages as per Ind AS 109:

- (i) Loan given (principal amount) is considered as overdue, from the date when the Group recalls and pending repayment from customer.
- (ii) In case loan given (principal amount) is not recalled, these loans are considered as not due.

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by

reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

C) Other financial assets:

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in 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 Group 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) recognised during the year is recognised as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortised 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

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

2.6 Leases

Group as a lessee

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assess whether (i) the contract involves the use of an identified assets ; (ii) the Group has substantially all the economic benefits from use of the assets through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use assets (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 month or less (short term leases) and low value leases. For these short term and low value leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter

of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined the lease payments are discounted using the incremental borrowing rate.

Lease liability has been included in borrowing and ROU asset has been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the term of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

2.7 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 the statement of cash flows, cash and cash equivalents cash and short-term deposits are considered integral part of the Group's cash management. Outstanding bank overdrafts are not considered integral part of the Group's cash management.

2.8 Impairments of Non-financial assets

The Group 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

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

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.

2.9 Retirement and other employee benefits

(i) Provident fund

Retirement benefit in the form of provident fund, is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 group or retirement, whichever is earlier. The benefit vest after five years of continuous service.

The group's gratuity scheme is a defined benefit plan. The group'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 Group are entitled to compensated absences as per the policy of the Group. The Group 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 actuarial assumptions are recognised in statement of Profit and Loss.

(iv) Share based payments

Equity-settled share-based payments to employees that are granted are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the vesting conditions. It recognises

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

2.10 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group 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 recognised 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 current management estimates. Contingent liabilities are recognised when there is possible obligation arising from past events.

2.11 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 Group 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 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 and unrecognised 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.

2.12 Earning per share (basic and diluted)

The Group 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

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

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.

2.13 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.

2.14 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.

2.15 Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on settlement of revenue transactions are recognised in the statement of profit and loss. Monetary assets and liabilities contracted in foreign currencies are restated at the rate of exchange ruling at the Balance Sheet date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was

determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

2.16 Discontinued Operations

An operation is classified as discontinued operation if a component of the Company that either has been disposed of, or is classified as held for sale, and

- (a) represents a separate major line of business or geographical area of operations,
- (b) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or
- (c) is a subsidiary acquired exclusively with a view to resale.

An operation is considered as discontinued operation if the Company winds up the major line of business or has an intention to do so.

Further, if a disposal group to be abandoned meets the discontinued operation criteria, the cash flows and results of the disposal group are presented as discontinued operations at the date on which it ceases to be used.

Revenue is recognised to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made.

Expenses are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell, and depreciation on such assets to cease and assets that meet the criteria to be classified as held for sale to be presented separately in the balance sheet. Assets that does not meet the criteria to be classified as held for sale as such assets can be utilised for another business operation shall be recorded at the carrying value.

Discontinued operations are excluded from the results of continuing operations and are presented separately as profit or loss from

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

discontinued operations in the Statement of Profit and Loss. When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

2.17 Segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

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 Group becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised 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 Group 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 Group 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. For further details about determination of fair value please see Note 44.

Some of the group'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

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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 Group 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 Group can access at measurement date

3.3 Effective Interest Rate (EIR) method

The group'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 India's base rate and other fee income / expense that are integral parts of the instrument.

3.4 Provisions and other contingent liabilities

The Group 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 group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be

probable, the Group 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 Group 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 Share based payments

Estimating fair value for share based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share based payments transactions are discussed in Note 39.

3.6 Expected Credit loss

When determining whether the risk of default on a financial instruments has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and credit assessment and including forward looking information.

The inputs used and process followed by the Group in determining the ECL have been detailed in Note 45.

3.7 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 Group considers the expected reversal of deferred tax liabilities and

Consolidated Accounting Policies for the year ended 31 March, 2021 (Contd.)

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.

3.8 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.

3.9 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

4 CASH AND CASH EQUIVALENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Cash on hand	0.07	0.65
Balances with banks		
- in current accounts	816.60	3,611.93
- in fixed deposits with maturity of less than 3 months*	5,038.65	2,510.95
- interest accrued on fixed deposits with maturity less than 3 months	18.67	3.44
Cheques on hand	3.77	5.39
Total	5,877.76	6,132.36

*Breakup of deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed deposits under lien with stock exchanges **	-	1.57
Fixed deposits free from charges	5,038.65	2,509.38
Total	5,038.65	2,510.95

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

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Earmarked balances with banks towards unclaimed dividend	0.83	-
In Fixed deposit with maturity for more than 3 months but less than 12 months*	12,707.34	7,907.50
In Fixed deposit with maturity for more than 12 months*	38.83	39.08
Accrued interest on fixed deposit	149.71	56.65
Total	12,896.71	8,003.23

*Breakup of deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed deposits under lien with stock exchanges**	9,441.15	6,380.77
Fixed deposits with government authorities	4.50	4.50
Fixed deposits free from charges	0.54	166.34
Fixed deposits against credit facilities of the Group	1,195.47	195.47
Fixed deposits for bank guarantees	2,104.52	1,199.50
Total	12,746.17	7,946.58

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

6 TRADE RECEIVABLE

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Receivables considered good - Secured*	2,286.65	388.82
Receivables considered good - Unsecured*	5.31	14.68
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	-	-
Less : Provision for Expected Credit Loss / Impairment loss allowance	(15.01)	(13.23)
Total	2,276.95	390.27

No trade or other receivable are due from directors or others officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

* Includes ₹ 1,789.34 million as on 31 March, 2021 (31 March, 2020: ₹ 83.52 million) receivable from stock exchanges on account of trades executed by clients.

7. LOANS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
(A) Loans measured at Amortised Cost		
(i) Loans for Margin trading facility	10,535.37	2,471.28
Add: Accrued interest on margin trading fund	97.39	24.08
(ii) Loans against securities	662.73	316.51
(iii) Loan to employees*	-	0.31
(iv) Loan to Others	0.19	0.14
Total (A) Gross	11,295.68	2,812.32
Less: Provision for expected credit loss	(10.75)	(6.54)
Total (A) Net	11,284.93	2,805.78
(B)		
(i) Secured by shares/securities	11,277.72	2,772.06
(ii) Unsecured	17.96	40.26
Total (B) Gross	11,295.68	2,812.32
Less: Provision for expected credit loss	(10.75)	(6.54)
Total (B) Net	11,284.93	2,805.78
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others		
- Body corporates	43.80	12.80
- Others	11,251.88	2,799.52
Total (C) Gross	11,295.68	2,812.32
Less: Provision for expected credit loss	(10.75)	(6.54)
Total (C) Net	11,284.93	2,805.78

* Includes loan to directors, unamortised amount of ₹ Nil (₹ 0.31 million as on 31 March, 2020). (Refer Note 40(c))

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

8 INVESTMENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Investment in India		
Investments measured at Fair Value through Profit or Loss (Refer note A)		
Equity instruments	0.00	0.00
Mutual funds	55.40	352.65
Total	55.40	352.65

A. Investments measured at Fair Value through Profit or Loss

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Investment in Equity Instruments (fully paid-up)		
UNQUOTED		
EQUITY SHARES IN HUBTOWN LIMITED	0.00	0.00
(Represents ownership of Premises as a member in co-operative society) (face value of ₹ 350 each, 01 (01 share as on 31 March, 2020)		
INVESTMENT IN MUTUAL FUND		
- 181,791.323 units (31 March, 2020 Nil) of ICICI Prudential Liquid Fund - DP Growth (NAV ₹ 304.7364 per Unit)	55.40	-
- Nil units of ICICI Prudential Liquid Fund DP Daily Dividend (31 March, 2020: 175,217.173 units) (NAV ₹ 100.1082 per Unit)	-	17.54
- Nil units of ICICI Prudential Liquid Plan - Overnight Fund DP Growth (31 March, 2020: 3,110,120.896 units) (NAV ₹ 107.749 per Unit)	-	335.11
Total	55.40	352.65

9 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits (Refer note (a) below)	14,197.63	2,673.08
Accrued delayed payment charges	1.91	2.34
Deposits against arbitrations**	18.04	18.93
Less: Provision against arbitrations	(18.04)	(18.93)
Other Receivables	89.79	30.41
Total	14,289.33	2,705.83

** Represent amount withheld by stock exchanges for cases filed by the customers that are under arbitration.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(a) Security Deposits

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Security deposits - stock exchanges*	14,159.97	2,619.40
Security deposits - Premises	27.30	44.19
Security deposits - Others	10.36	9.49
Total	14,197.63	2,673.08

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

10 INVENTORIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Closing Stock of Traded Goods*	-	0.07
Consumables	-	0.38
	-	0.45

* The closing stock of traded goods primarily consist of number of food supplements purchased and sold to the client / member's of company's subsidiary.

11 CURRENT TAX ASSETS (NET)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Advance payment of taxes and tax deducted at source {net of MAT credit utilised ₹ 1.53 million (31 March, 2020: ₹ 0.34 million) and provision for taxation ₹ 96.40 million (31 March, 2020: ₹ 1,528.24 million)}	14.82	49.18
	14.82	49.18

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

12 DEFERRED TAX

(A) Deferred tax relates to the following:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Deferred tax assets		
- Difference between book and tax depreciation	-	2.53
- Provision for gratuity	14.14	11.36
- Provision for Compensated absences	8.80	5.53
- On lease capitalised as per Ind AS 116	3.75	2.86
- Amalgamation expenses	-	0.09
- Disallowance u/s 40(a)(ia)	0.03	0.05
- Expected credit loss on trade receivables	3.78	3.33
- Expected credit loss on loan	2.20	1.47
- On income received in advance	-	1.38
- On impact of security deposit	-	0.12
	32.70	28.72
Deferred tax liabilities		
- Difference between book and tax depreciation	(2.56)	-
- On loan to employee	-	(0.01)
- On impact of security deposit	(1.40)	-
- On processing fee	(0.00)	(0.02)
- On fair valuation of shares and Mutual funds	(0.16)	(0.36)
	(4.12)	(0.39)
Add: MAT Credit Entitlement	18.44	20.56
Deferred tax asset, net	47.02	48.89

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

(₹ in million)

	OCI	Profit and Loss	Total
Deferred tax assets/(liabilities) (net)			
As at 01 April, 2019			75.69
- Expense allowed in the year of payment (Gratuity and compensated absences)	3.24	(4.20)	(0.96)
- lease capitalised as per Ind AS 116	-	(1.91)	(1.91)
- Difference between book and tax depreciation	-	(3.56)	(3.56)
- Amalgamation expenses	-	(0.15)	(0.15)
- Disallowance u/s 40(a)(ia)	-	(6.34)	(6.34)
- Income Received in advance	-	(5.04)	(5.04)
- Provision for expected credit loss on trade receivables	-	(3.07)	(3.07)
- Provision for expected credit loss on loans	-	(4.73)	(4.73)
- Others	-	(1.04)	(1.04)
As at 31 March, 2020			48.89
- Expense allowed in the year of payment (Gratuity and compensated absences)	4.22	1.84	6.06
- lease capitalised as per Ind AS 116	-	0.89	0.89

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

	OCI	Profit and Loss	Total
- Difference between book and tax depreciation	-	(5.09)	(5.09)
- EIR of security deposit	-	(1.52)	(1.52)
- Income received in advance	-	(1.38)	(1.38)
- Provision for expected credit loss on trade receivables	-	0.45	0.45
- Provision for expected credit loss on loans	-	0.73	0.73
- Others	-	(2.01)	(2.01)
As at 31 March, 2021			47.02

(C) Income tax expense

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Current tax taxes	1,041.77	297.31
Deferred tax charge / (income)	7.32	24.55
Minimum alternative tax credit entitlement	(3.40)	-
Minimum alternative tax credit adjustment for earlier year	0.60	-
Taxes for earlier years*	84.80	(2.08)
Total	1,131.09	319.78

* Taxes for earlier years includes amount of ₹ 82.87 million payable on account of final orders 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 years 2005 - 2006, 2008 - 2009 and 2010 - 2011.

(D) Income Tax recognised in other comprehensive income

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Deferred Tax asset related to items recognised in Other Comprehensive income during the year:		
- Income tax relating to re-measurement gains on defined benefit plans	4.22	3.24
	4.22	3.24

(E) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit before tax - Continuing operations	4,111.67	1,187.67
Enacted income tax rate in India	25.17%	25.17%
Tax amount at the enacted income tax rate	1,034.83	298.91
Tax effect on:		
Non- deductible expenses for tax purpose	12.74	8.93
Deductions on income	(14.48)	-
Loss of subsidiaries on which deferred tax are not recognised	(1.66)	-
Income exempted from income taxes	-	(5.13)
Difference in tax rate for certain entities of the Group	0.33	0.10
Additional allowance for tax purpose	(1.39)	(2.14)
Income Tax rate change impact	(0.02)	17.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Taxes for earlier years	85.40	(2.35)
Others	15.34	4.46
Total tax expense charged to the statement of profit and loss	1,131.09	319.78
Effective tax rate	27.51%	26.92%

Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Loss from discontinuing operations	(10.44)	(39.21)
Enacted income tax rate in India	25.17%	25.17%
Tax amount at the enacted income tax rate	(2.63)	(9.87)
Tax effect on:		
Non- deductible expenses for tax purpose	0.05	0.04
Loss of subsidiaries on which deferred tax are not recognised	4.16	19.28
Income Tax rate change impact	-	(0.15)
Others	-	(4.08)
Total tax expense charged to the statement of profit and loss	1.58	5.22
Effective tax rate	(15.1)%	(13.3)%

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

13 INVESTMENT PROPERTY

(A) Reconciliation of carrying amount

(₹ in million)

	Amount
Gross carrying amount	
As at 01 April, 2019	1.33
Additions	-
Disposals/adjustments	-
As at 31 March, 2020	1.33
Additions	33.16
Disposals/adjustments	-
As at 31 March, 2021	34.49
Accumulated depreciation	
As at 01 April, 2020	0.02
Depreciation for the year	0.03
Disposals/adjustments	-
As at 31 March, 2020	0.05
Depreciation for the year	0.50
Disposals/adjustments	-
As at 31 March, 2021	0.55
Net block	
As at 31 March, 2020	1.28
As at 31 March, 2021	33.94
Fair value	
As at 31 March, 2020	25.07
As at 31 March, 2021	58.07

(B) Amount recognised in Statement of Profit and Loss from investment property

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Rental income derived from investment properties	1.48	0.81
Direct operating expenses generating rental income	(0.24)	(0.14)
Income arising from investment properties before depreciation	1.24	0.67
Depreciation	(0.50)	(0.03)
Income arising from investment properties (Net)	0.74	0.64

(C) Measurement of fair values

(i) Fair value hierarchy

These fair value of investment property has been determined by Rane Engineers & Surveyors Pvt. Ltd., an accredited independent valuer. The fair value measurement for the property to be valued is residential flat which is the highest and best use, been categorized as a level 2 fair value based on the inputs to the valuation technique. These inputs include comparable sale instances for Market Approach and Comparable Rental Instances for Income Approach.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(ii) Valuation technique

For the purpose of valuation, the primary valuation methodology used is Market Approach, as the best evidence of fair value is current prices in an active market for similar properties and cross checked by Income Capitalisation Approach. The market rate for sale/purchase of similar assets is representative of fair values. The property to be valued is at a location where active market is available for similar kind of properties. Income capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate market-based yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

(D) Premises given on operating lease

The Group's investment properties consist of residential property in India given on cancellable lease for a period of 12 month.

(E) The total future minimum lease rentals receivable at the Balance Sheet date is as under:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
For a period not later than one year	-	-
For a period later than one year and not later than five years	-	-
For a period later than five years	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

14 PROPERTY, PLANT AND EQUIPMENT

	(₹ in million)									
	Buildings (Refer note (a))	Leasehold Improvements	Office Equipments	Air Conditioners	Computer Equipments	Furniture and Fixtures	Vehicles	Gym Equipments	Total	
GROSS CARRYING AMOUNT										
As at 01 April, 2019	808.42	14.63	48.33	8.11	145.18	89.01	37.06	15.02	1,165.76	
Additions/ Adjustments	-	2.05	19.75	0.94	64.48	1.79	13.43	1.24	103.68	
Deductions/ Adjustments	-	(2.95)	(2.03)	(1.18)	(1.10)	(7.22)	-	-	(14.48)	
Reclassification	1.60	(2.13)	(2.66)	-	1.81	0.72	-	-	(0.66)	
As at 31 March, 2020	810.02	11.60	63.39	7.87	210.37	84.30	50.49	16.26	1,254.30	
Additions/ Adjustments	-	-	1.73	0.22	86.92	1.74	4.35	-	94.96	
Deductions/ Adjustments	(0.19)	(5.27)	(2.21)	(1.19)	(2.25)	(2.81)	(8.68)	(0.05)	(22.65)	
As at 31 March, 2021	809.83	6.33	62.91	6.90	295.04	83.23	46.16	16.21	1,326.61	
ACCUMULATED DEPRECIATION										
As at 01 April, 2019	15.36	2.89	13.31	1.92	38.45	22.96	5.18	2.82	102.89	
Depreciation for the year	15.38	3.45	20.98	1.86	46.73	22.09	6.74	2.93	120.16	
Disposals	-	(1.42)	(0.96)	(0.37)	(0.60)	(3.59)	-	-	(6.94)	
Reclassification	1.76	(1.84)	(1.26)	0.00	0.54	0.22	-	-	(0.58)	
As at 31 March, 2020	32.50	3.08	32.07	3.41	85.12	41.68	11.92	5.75	215.53	
Depreciation for the year	15.35	2.12	13.05	1.41	58.30	16.13	7.64	2.96	116.96	
Disposals	-	(2.27)	(1.80)	(0.70)	(1.77)	(1.51)	(2.24)	(0.02)	(10.31)	
As at 31 March, 2021	47.85	2.93	43.32	4.12	141.65	56.30	17.32	8.69	322.18	
Net block										
As at 31 March, 2020	777.52	8.52	31.32	4.46	125.25	42.62	38.57	10.51	1,038.77	
As at 31 March, 2021	761.98	3.40	19.59	2.78	153.39	26.93	28.84	7.52	1,004.43	

(a) Includes value of shares in the co-operative society, aggregating to ₹ 0.0005 million (31 March ,2020: ₹ 0.0005 million) registered in the name of the Group.

(b) There are no adjustments to property, plant and equipment on account of borrowing costs and exchange differences. There is no revaluation of property, plant and equipment during the year/previous year.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

15 INTANGIBLE ASSETS

(₹ in million)

	Computer Software
GROSS CARRYING AMOUNT	
As at 01 April, 2019	97.47
Additions	7.30
Deductions	-
Reclassification	0.78
As at 31 March, 2020	105.55
Additions	35.09
Deductions	(1.08)
As at 31 March, 2021	139.56
ACCUMULATED AMORTIZATION AND IMPAIRMENT	
As at 01 April, 2019	30.39
Depreciation for the year	27.05
Disposals	-
Reclassification	0.70
As at 31 March, 2020	58.14
Depreciation for the year	27.42
Disposals	(0.73)
As at 31 March, 2021	84.83
NET BLOCK	
As at 31 March, 2020	47.41
As at 31 March, 2021	54.73

16 RIGHT OF USE ASSETS

Changes in carrying value of Right-of-use assets are as follows:

(₹ in million)

	Amount
As at 01 April, 2019	208.46
Addition	75.84
Adjustment/Deletion	(57.15)
Depreciation for the year	(73.99)
As at 31 March, 2020	153.16
Addition	13.15
Adjustment/Deletion	(67.08)
Depreciation for the year	(44.05)
As at 31 March, 2021	55.18

Refer Note 43 for details of carrying value of Right of use assets.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

17 OTHER NON FINANCIAL ASSETS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Prepaid expenses	72.16	51.47
Advance to vendor	39.18	13.68
Balance with government authorities	131.65	40.28
Advance to employee	1.88	1.42
Others	0.39	44.78
Total	245.26	151.63

18 TRADE PAYABLES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Total outstanding dues of micro enterprises and small enterprises*	1.97	-
Total outstanding dues of creditors other than micro enterprises and small enterprises:		
Trade payables - Clients**	22,739.73	9,368.56
Trade payables - Expenses	22.59	26.37
Total	22,764.29	9,394.93

** Includes ₹ 443.46 million as on 31 March, 2021 (31 March, 2020: ₹ 813.44 million) payable to stock exchanges on account of trades executed by clients.

* 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 years 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 Group. This has been relied upon by the Auditors.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

19 BORROWINGS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
BORROWINGS MEASURED AT AMORTISED COST (IN INDIA)		
(i) Secured		
(a) Loan from banks and financial institution (Refer note (a))		
- secured against mortgage on commercial property	-	27.45
- Secured against hypothecation of vehicles	12.12	20.61
(b) Loans repayable on demand (Refer note (b))		
- Overdraft / Loan from banks / NBFCs	7,064.83	2,503.16
- Working Capital Demand Loan	4,579.17	2,200.46
(ii) Unsecured		
(a) Lease liability payable over the period of the lease (refer note (c))	58.57	157.11
Total	11,714.69	4,908.79

Rate of interest is ranging from 3.35% to 8.90% for above borrowings.

(a) Security and terms of repayment of borrowings from banks:

The aforesaid term loans from banks are secured by hypothecation of vehicles, repayable in 60 monthly instalments except two loans which is repayable in 36 and 48 monthly instalments from the start of the loan.

(b) Security and terms of repayment of borrowings from banks repayable on demand:

(₹ in million)

SECURITY	As at 31 March, 2021	As at 31 March, 2020
Hypothecation of book debts and personal guarantee of a director	4,703.23	-
Hypothecation of current assets of the Group and personal guarantee of a director	-	1,249.93
Lien on fixed deposits of the Group (Refer note 4 and 5)	5,940.77	2,553.59
Mortgage of property and personal guarantee of a director	1,000.00	900.10
Total	11,644.00	4,703.62

(c) Movement of lease liabilities

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening Balance	157.11	212.91
Additions	13.17	72.21
Adjustments/Deletions	(75.36)	(63.05)
Interest expense	7.91	17.79
Lease payments	(44.26)	(82.75)
Closing Balance	58.57	157.11

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

20 OTHER FINANCIAL LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Interest accrued but not due on borrowings	15.58	0.93
Book Overdraft	1.39	4.69
Payable to Sub broker	1,180.95	966.08
Employee Benefits Payable	162.35	103.86
Expense payable	357.65	183.78
Refund payable to customers	1.32	-
Other payables	77.82	45.31
Total	1,797.06	1,304.65

21 CURRENT TAX LIABILITIES (NET)

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Income tax Payable (net of advance payment of taxes and tax deducted at source: ₹ 2,619.46 million (31 March, 2020: ₹ 77.08 million))	120.52	0.45
Total	120.52	0.45

22 PROVISIONS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Provision for employee benefits		
Provision for gratuity (Refer Note 38)	56.13	44.44
Provision for compensated absences	34.86	22.64
Total	90.99	67.08

23 OTHER NON FINANCIAL LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Statutory dues payable	286.73	184.61
Revenue received in advance	53.85	103.38
Advance from Customer	0.19	23.69
Total	340.77	311.68

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

24 EQUITY SHARE CAPITAL

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
AUTHORIZED		
100,000,000 (31 March, 2020 : 100,000,000) Equity shares of ₹ 10/- each.	1,000.00	1,000.00
Total	1,000.00	1,000.00
ISSUED, SUBSCRIBED AND PAID UP		
81,826,507 (31 March, 2020 : 71,995,003) Equity shares of ₹ 10/- each.	818.27	719.95
Total	818.27	719.95

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

(₹ in million)

	No. of shares	Amount
As at 01 April, 2019	71,995,003	719.95
Changes during the year	-	-
As at 31 March, 2020	71,995,003	719.95
Issued during the year - IPO	9,803,921	98.04
Issued during the year - ESOP	27,583	0.28
As at 31 March, 2021	81,826,507	818.27

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed if any 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 Company, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Group as on 31 March, 2021:

Name of the shareholder	Number of shares	% of holding
Dinesh Thakkar	16,768,805	20%
International Finance Corporation, Washington	9,006,124	11%
Lalit Thakkar	7,097,234	9%
Nirwan Monetary Services Private Limited	6,065,310	7%
Mukesh Gandhi jointly with Bela Gandhi	4,934,727	6%
Total	43,872,200	54%

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Group as on 31 March, 2020:

Name of the shareholder	Number of shares	% of holding
Dinesh Thakkar	16,768,805	23%
International Finance Corporation, Washington	12,927,760	18%
Lalit Thakkar	8,936,780	13%
Nirwan Monetary Services Private Limited	6,065,310	8%
Mukesh Gandhi jointly with Bela Gandhi	5,581,500	8%
Nishith Shah Jointly with Jitendra Shah	4,087,500	6%
Total	54,367,655	76%

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

- (d) In the financial year 2017-18 the Company has allotted fully paid bonus shares amounting to ₹ 57.46 million by capitalization of securities premium and issued shares under Employee Share Purchase Scheme amounting to ₹ 0.17 million.

25 OTHER EQUITY

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
General reserve	132.85	132.85
Securities premium reserve	3,733.67	977.08
Retained earnings	6,460.15	3,929.97
Statutory reserve	71.12	65.33
Capital reserve	53.59	53.59
Impairment reserve	1.13	1.13
Equity-Settled share-based payment reserve	39.19	34.29
Total	10,491.70	5,194.24

(A) General reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	132.85	132.85
Add : Changes during the year	-	-
Closing balance	132.85	132.85

(B) Securities premium

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	977.08	977.08
Add : Addition during the year	2,908.16	-
Less : Utilised towards IPO expenses	(151.57)	-
Closing balance	3,733.67	977.08

(C) Retained earnings

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	3,929.97	3,358.22
Add: Net profit for the year	2,968.56	823.46
Less: Interim dividend paid	(426.58)	(194.39)
Less: Tax on interim dividend	-	(39.60)
Transferred to Statutory Reserve	(5.79)	(8.11)
Transferred from Equity-Settled share-based payment reserve	6.49	-
Less: Re-measurement loss on post employment benefit obligation (net of tax)	(12.50)	(9.61)
Closing balance	6,460.15	3,929.97

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(D) Statutory Reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	65.33	57.22
Add : Transfer from retained earnings	5.79	8.11
Closing balance	71.12	65.33

(E) Capital Reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	53.59	53.59
Add : Changes during the year	-	-
Closing balance	53.59	53.59

(F) Equity-Settled share-based payment reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	34.29	14.31
Addition during the year for options granted	12.03	19.98
Transferred to Retained earnings	(6.49)	-
Less: utilised towards equity share option exercised	(0.64)	-
Closing balance	39.19	34.29

(G) Impairment reserve

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening balance	1.13	1.13
Changes during the year	-	-
Closing balance	1.13	1.13

NATURE AND PURPOSE OF RESERVES

(A) General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations however, the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013.

(B) Securities Premium

Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(C) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to generate 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).

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(D) Statutory Reserve

As required by section 45-IC of the RBI Act 1934, the Group maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The Group cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time.

(E) Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

(F) Equity-Settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with the value of share options granted to the employees by the Group. Once shares are issued by the Group, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings. Further, if options are lapsed the amount in this reserve will be transferred to retained earnings.

(G) Impairment reserve

This reserve represents the difference of impairment allowance under Ind AS 109 and provision required under IRACP (Income Recognition, Asset classification and Provisioning). This impairment reserve should not be reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without the prior permission from the Department of Supervision, RBI.

26 INTEREST INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On Financial Assets measured at Amortised Cost		
Interest on margin trading fund	1,166.70	1,105.06
Interest Income from lending Activities	76.54	86.43
Interest on fixed deposits under lien with stock exchanges	496.87	325.24
Interest on delayed payment by customers	29.33	60.65
Total	1,769.44	1,577.38

27 FEES AND COMMISSION INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Brokerage	9,065.41	5,039.06
Income from depository operations	888.77	345.40
Portfolio management services fees	0.28	2.16
Income from distribution activity	155.12	99.78
Investment advisory services	67.82	39.67
Other operating income	600.82	117.93
Total	10,778.22	5,644.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

28 NET GAIN ON FAIR VALUE CHANGES*

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On financial instruments designated at fair value through profit or loss on Investments in mutual funds	89.18	24.86
Total Net gain / (loss) on fair value changes	89.18	24.86
Fair Value changes:		
- Realised	88.54	23.42
- Unrealised	0.64	1.44

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

29 OTHER INCOME

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Dividend income	0.13	21.49
Income from co-branding	16.10	16.19
Bad Debts recovered	74.91	49.59
Gain on cancellation of operating leases	8.11	5.90
Lease income from director	1.48	0.81
Interest on deposits with banks	228.08	188.47
Interest on security deposits measured at amortised cost	6.10	5.48
Interest on loan to employees	-	0.22
Interest on trade receivables at amortised cost	6.01	5.59
Interest on income tax refund	0.19	1.76
Writeback of provision on standard assets sub standard and loss assets	-	1.40
Miscellaneous Income	11.87	4.00
Total	352.98	300.90

30 FINANCE COSTS

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	344.59	430.47
Interest on Lease liability	7.87	17.55
Other interest expense	1.45	1.68
Bank guarantee and commission charges	35.43	38.89
Total	389.34	488.59

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

31 IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Financial instruments measured at Amortised cost		
Trade Receivable	7.79	0.50
Loans	4.21	0.98
Bad debts written off (net)	334.04	375.62
Total	346.04	377.10

32 EMPLOYEE BENEFITS EXPENSES

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Salaries and wages	1,558.70	1,430.05
Contribution to provident and other funds (Refer Note 38)	55.98	71.31
Gratuity and compensated absences expenses	30.52	27.74
Training and Recruitment expenses	43.47	28.03
Expense on employee stock option scheme (Refer Note 39)	12.02	19.98
Staff welfare expenses	17.76	20.92
Total	1,718.45	1,598.03

33 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Depreciation on property, plant and equipment	111.91	108.98
Depreciation on investment property	0.50	0.03
Amortization of intangible assets	27.42	27.05
Depreciation on right of use assets	43.77	73.11
Total	183.60	209.17

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

34 OTHER EXPENSES

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Rent, rates and taxes	26.43	24.73
Communication Costs	85.70	57.51
Printing and stationery	20.22	46.52
Advertisement and publicity	1,281.05	477.23
Director's fees, allowances and expenses	2.28	1.96
Legal and Professional charges	295.83	172.82
Insurance	3.80	4.18
Interest on service tax	0.01	1.00
Software connectivity license / maintenance expenses	357.11	209.02
Travel and conveyance	86.01	120.32
Electricity	17.88	47.26
Administrative support services	24.74	30.01
Demat Charges	216.58	25.95
Bank charges	17.99	10.03
Membership and subscription fees	11.22	3.11
Loss on account of Error Trades (Net)	31.28	19.78
Repairs and maintenance		
- Building	9.59	8.66
- Others	7.08	15.78
Auditors' remuneration*	5.06	4.61
Loss on sale/write off of Property, Plant and Equipment	8.43	6.15
Provision for Loss and Doubtful assets	-	1.41
Office Expenses	15.64	32.29
Security guards expenses	5.83	8.19
Interest on income tax	15.82	0.01
Corporate social responsibility expenses (refer note 48)	28.05	23.16
Miscellaneous Expenses	37.31	30.49
Total	2,610.94	1,382.18

* Auditors' remuneration

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
For Statutory audit fees	2.73	4.40
Out of pocket expenses	0.02	0.19
GST audit fees	0.20	0.02
For other services (including quarterly audit, Limited reviews and certificates)	2.11	-
Total	5.06	4.61

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

35 EARNINGS PER SHARE

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Profits attributable to equity holders - from continuing operations	2,980.58	867.89
Weighted average number of equity shares used in computing Basic Earnings per Equity Share (A)	76,914,929	71,995,003
Basic earnings per share (₹) (FV of ₹ 10 each)	38.75	12.05
Add: Potential number of Equity share that could arise on exercise of Employee Stock options (B)	543,698	-
Weighted average number of shares used in computing Diluted Earnings per Equity Share (A+B)	77,458,627	71,995,003
Diluted earnings per share (₹) (FV of ₹ 10 each)	38.48	12.05

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Profits attributable to equity holders - from discontinuing operations	(12.02)	(44.43)
Weighted average number of equity shares outstanding (A)	76,914,929	71,995,003
Basic earnings per share (₹) (FV of ₹ 10 each)	(0.16)	(0.62)
Add: Potential number of Equity share that could arise on exercise of Employee Stock options (B)	543,698	-
Weighted average number of shares used in computing Diluted Earnings per Equity Share (A+B)	77,458,627	71,995,003
Diluted earnings per share (₹) (FV of ₹ 10 each)	(0.16)	(0.62)

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Profits attributable to equity holders - from total operations	2,968.56	823.46
Weighted average number of equity shares outstanding (A)	76,914,929	71,995,003
Basic earnings per share (₹) (FV of ₹ 10 each)	38.60	11.44
Add: Potential number of Equity share that could arise on exercise of Employee Stock options (B)	543,698	-
Weighted average number of shares used in computing Diluted Earnings per Equity Share (A+B)	77,458,627	71,995,003
Diluted earnings per share (₹) (FV of ₹ 10 each)	38.32	11.44

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

36 CONTINGENT LIABILITIES

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Guarantees		
(i) Bank guarantees with exchanges as margin / government authorities	4,181.50	2,401.50
Others		
(i) Claims against the Group not acknowledged as debts*	54.83	48.65
(ii) Disputed income tax demands not provided for (Refer note (a) below)	101.44	263.43
	4,337.77	2,713.58

*Relates to legal claims filed against us by our customers in the ordinary course of business.

Note (a):

Above disputed income tax demands not provided for includes:

- (i) ₹ 7.53 million on account of disallowance made as speculation loss for Assessment Year 2012-13 vide reassessment order dated 15 December, 2017 passed by Assessing Officer. Group filed an appeal before CIT(A);
- (ii) ₹ 93.91 million on account of disallowance made as speculation loss for Assessment Year 2009-10 considered by ITAT in favour of the Group. Department filed an appeal before Hon'ble High Court of Bombay on 25 July, 2018;

Above disputed income tax demands does not include interest u/s 234B and u/s 234C of the Income Tax Act, 1961 as the same is not determinable till the final outcome. The management believes that the ultimate outcome of the above proceedings will not have a material adverse effect on the Group's financial position and result of operations.

37 CAPITAL COMMITMENTS

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Capital commitment for purchase of property, plant and equipment and Intangible assets	9.53	2.62

38 EMPLOYEE BENEFITS

(A) Defined Contribution Plans

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

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Contribution to Provident and other Funds	56.11	72.35

(B) Defined benefit plans

Gratuity payable to employees

The Group's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial 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 Group. Group accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Group's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

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 / Less than expected increase in the future salary levels may result in increase / decrease in the liability.

(i) Principal assumptions used for the purposes of the actuarial valuations

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
ECONOMIC ASSUMPTIONS		
Discount rate (per annum)	5.10%	5.74%
Salary Escalation rate	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%	99%
(ii) Thereafter	29%	2%
(B) Non-sales employees		
(i) For service less than 4 years	49%	49%
(ii) Thereafter	19%	2%
Retirement age	58 years	58 years

(ii) Amount recognised in balance sheet

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Present value of unfunded defined benefit obligation	56.13	44.44
Net liability recognized in Balance Sheet	56.13	44.44
Current benefit obligation	18.93	3.69
Non-current obligation	37.20	40.75
Net liability recognized in Balance Sheet	56.13	44.44

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

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

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Present value of obligation at the beginning of the year	44.44	31.46
Interest cost on DBO	2.65	2.38
Current service cost	7.26	7.17
Benefits paid	(14.94)	(9.42)
Actuarial (gain) / loss on obligations		
- Effect of change in Financial Assumptions	2.60	4.75
- Effect of change in demographic assumptions	4.70	-
- Experience (gains) / losses	9.42	8.10
Present value of obligation at the end of the year	56.13	44.44

The weighted average duration of defined benefit obligation is 3.05 years as at 31 March, 2021 (31 March, 2020: 3.35 years).

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

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Current service cost	7.25	7.17
Interest cost	2.65	2.38
Total expenses recognized in the Statement Profit and Loss	9.90	9.55

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

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Remeasurements due to -		
- Effect of change in financial assumptions	2.60	4.75
- Effect of change in demographic assumptions	4.70	-
- Effect of experience adjustments	9.42	8.10
Net actuarial (gains) / losses recognised in OCI	16.72	12.85

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

vi) A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Impact on defined benefit obligation		
Rate of discounting		
1% increase	(2.10)	(4.94)
1% decrease	2.48	5.63
Rate of increase in salary		
1% increase	2.63	4.94
1% decrease	(2.19)	(4.31)
Withdrawal rate		
1% increase	0.03	2.26
1% decrease	(0.05)	(1.99)

(vii) Maturity profile of defined benefit obligation

(₹ in million)

Year	As at 31 March, 2021	As at 31 March, 2020
Within next 12 months	19.40	3.80
Between 2 and 5 years	33.16	8.36
Between 5 and 10 years	17.07	14.23
Beyond 10 years	7.81	67.39
Total expected payments	76.44	93.78

39 EMPLOYEE STOCK OPTION PLAN

- (a) - On 26 April, 2018 the board of directors approved the Angel Broking Employee Stock Option Plan 2018 (ESOP Plan 2018) for issue of stock options to the key employees and directors of the company and its subsidiaries. According to the ESOP Plan 2018, the employee selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 14 months and subject to performance parameters defined in the ESOP Plan 2018. The contractual life (comprising the vesting period and the exercise period) of options granted is 50 months.
- On 28 January 2021, the Board of Directors approved the Angel Broking Employee Long Term Incentive Plan 2021 (LTI Plan 2021) for issue of Options, Restricted Stock Units and Performance Stock Units to the Eligible employees of the Company and its subsidiaries to attract, retain and motivate key talent, align individual performance with the Company objective by rewarding senior management and key high performing employees, subject to the approval of shareholders. The shareholders approved the LTI Plan 2021 through Postal ballot on 05 March, 2021. According to the LTI Plan 2021, the committee will decide which of the eligible employees should be granted Award units under the Plan and accordingly, the committee would offer the Award units to the identified employees under the Plan to the extent permissible by applicable laws. Selection of participants for a given year will be based on and include role scope, level, performance and future potential, manager recommendation and any other criteria as approved by the committee for the given year.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(b) Summary of options granted under the scheme

	Year ended 31 March, 2021		Year ended 31 March, 2020	
	Number of option LTI Plan, 2021	Number of option ESOP Plan 2018	Number of option LTI Plan, 2021	Number of option ESOP Plan 2018
Opening balance	-	2,257,600	NA	2,534,370
Granted during the year	705,504	-	NA	-
Exercised during the year*	-	(27,583)	NA	-
Forfeited during the year	-	(698,770)	NA	(276,770)
Closing balance	705,504	1,531,247		2,257,600
Vested and exercisable	-	384,304	NA	183,640

* The weighted average share price at the date of exercise of options exercised during the year ended 31 March, 2021 is ₹ 337.47 (31 March, 2020: ₹ NA)

(c) Expiry date and exercises prices of the share options outstanding for scheme

ESOP Plan 2018

Grant date	Expiry date	Exercise price	Share options as at 31 March, 2021	Share options as at 31 March, 2020
11 May, 2018	11 July, 2020	211.51	86,674	147,990
11 May, 2018	11 July, 2021	211.51	207,128	347,920
11 May, 2018	11 July, 2022	211.51	330,090	521,880
11 May, 2018	11 July, 2023	211.51	440,120	695,840
01 August, 2018	01 October, 2020	211.51	11,270	16,450
01 August, 2018	01 October, 2021	211.51	18,032	32,900
01 August, 2018	01 October, 2022	211.51	33,810	49,350
01 August, 2018	01 October, 2023	211.51	45,080	65,800
15 October, 2018	15 December, 2020	211.51	12,000	12,000
15 October, 2018	15 December, 2021	211.51	24,000	30,000
15 October, 2018	15 December, 2022	211.51	45,000	45,000
15 October, 2018	15 December, 2023	211.51	60,000	60,000
02 November, 2018	02 January, 2021	211.51	7,200	7,200
02 November, 2018	02 January, 2022	211.51	18,000	18,000
02 November, 2018	02 January, 2023	211.51	27,000	27,000
02 November, 2018	02 January, 2024	211.51	36,000	36,000
18 March, 2019	18 May, 2021	211.51	-	14,427
18 March, 2019	18 May, 2022	211.51	28,854	28,854
18 March, 2019	18 May, 2023	211.51	43,281	43,281
18 March, 2019	18 May, 2024	211.51	57,708	57,708
Total			1,531,247	2,257,600
Weighted average remaining contractual life of options outstanding at end of year			0.74 years	1.48 years

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

LTI Plan 2021

Grant date	Expiry date	Exercise price	Share options as at 31 March, 2021	Share options as at 31 March, 2020
30 March, 2021	30 March, 2025	337.90	705,504	NA
Total			705,504	NA
Weighted average remaining contractual life of options outstanding at end of year			2.5 years	NA

(d) The fair value of each option granted is estimated on the date of grant using the Black Scholes model with the following inputs

Scheme	ESOP Plan 2018 - A	ESOP Plan 2018 - B	ESOP Plan 2018 - C
Grant date	11 May, 2018	01 August, 2018	15 October, 2018
Weighted average fair value of options granted	20.13	7.26	2.78
Exercise price	211.51	211.51	211.51
Share price at the grant date	211.51	142.37	103.17
Expected volatility	28.44%- 40.95%	31.30%-40.30%	34.21%-39.95%
Risk free interest rate	7.04%- 7.78%	7.14%-7.81%	7.47%-7.86%
Expected dividend yield	30%	30%	30%
Scheme	ESOP Plan 2018 - D	ESOP Plan 2018 - E	LTI Plan, 2021 - A
Grant date	02 November, 2018	18 March, 2019	30 March, 2021
Weighted average fair value of options granted	2.68	2.18	57.02
Exercise price	211.51	211.51	337.90
Share price at the grant date	100.34	95.31	295.80
Expected volatility	36.99%-41.46%	40.03%-41.14%	50.20%- 48.53%
Risk free interest rate	7.20%-7.63%	6.58%-7.00%	5.95%- 6.29%
Expected dividend yield	30%	30%	100%

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

Life of options - The employees have a period of 1 year from vesting date, to exercise their vested options. The management expects that these options will be exercised immediately on its vesting.

(e) Expense arising from share based payment transaction

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Expense arising from share based payments	12.02	19.98
Employee share based payment expense recognised in statement of profit and loss	12.02	19.98

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

40 RELATED PARTY DISCLOSURES:

(A) Names of related parties and nature of relationship

Name of Related Party	
(a) Individuals owning directly or indirectly interest in voting power that gives them control or significant influence	
Mr. Dinesh Thakkar	Chairman and Managing Director
(b) Relatives of above individuals	
Mr. Ashok Thakkar	Brother of Mr. Dinesh Thakkar
Mr. Vijay Thakkar	Son of Mr. Dinesh Thakkar
Mr. Vinay Thakkar	Son of Mr. Dinesh Thakkar
Ms. Kanta Thakkar	Wife of Mr. Dinesh Thakkar
Mr. Mahesh Thakkar	Brother of Mr. Dinesh Thakkar
Dinesh Thakkar HUF	HUF
(c) Key Management Personnel and their relatives	
Mr. Vinay Agrawal	CEO and Director
Ms. Anisha Motwani	Independent Director
Mr. Kamalji Jagat Bhushan Sahay	Independent Director
Mr. Uday Sankar Roy	Independent Director
Ms. Naheed Patel	Company Secretary
(d) Enterprises in which director is a member	
Nirwan Monetary Services Private Limited	
Jack and Jill Apparel Private Limited	
Angel Insurance Brokers and Advisors Private Limited	

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(₹ in million)

Nature of Transactions	Year ended 31 March, 2021	Year ended 31 March, 2020
INTEREST RECEIVED		
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	0.02	0.01
REMUNERATION PAID		
Key management personnel and their relatives		
Mr. Vinay Agrawal	26.71	19.14
Ms. Naheed Patel	2.20	2.07
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Dinesh Thakkar	31.55	25.21
Mr. Ashok Thakkar	4.26	3.80
Mr. Vijay Thakkar	1.19	3.16
PURCHASE OF PROPERTY		
Enterprises in which director is a member		
Nirwan Monetary Service Private Limited	24.09	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

Nature of Transactions	Year ended 31 March, 2021	Year ended 31 March, 2020
LEASE INCOME FROM FURNISHED PROPERTY		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Dinesh Thakkar	1.48	0.81
BUSINESS SUPPORT SERVICES		
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	0.00	-
INCOME FROM BROKING ACTIVITIES		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Ashok Thakkar	0.05	0.04
Mr. Dinesh Thakkar	0.01	0.39
Mr. Vinay Thakkar	0.01	-
Ms. Kanta Thakkar	0.00	-
Key Management Personnel		
Mr. Vinay Agrawal	0.00	-
Enterprises in which director is a member		
Jack and Jill Apparel Private Limited	-	0.01
Nirwan Monetary Service Private Limited	0.02	0.05
PROFESSIONAL FEES PAID		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Vijay Thakkar	1.19	-
DIRECTORS' SEETING FEES		
Key Management Personnel		
Ms. Anisha Motwani	0.64	0.52
Mr. Kamalji Jagat Bhushan Sahay	0.84	0.72
Mr. Uday Sankar Roy	0.80	0.72
PERSONAL TRAINING FEES		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Dinesh Thakkar	-	0.04
Ms. Hema Thakkar	-	0.04
DIVIDEND PAID		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Dinesh Thakkar	84.66	45.28
Dinesh Thakkar HUF	3.11	1.67
Ms. Kanta Thakkar	0.03	0.01
Mr. Ashok Thakkar	9.84	8.64
Mr. Mahesh Thakkar	0.01	0.01
Enterprises in which director is a member		
Nirwan Monetary Services Private Limited	30.62	16.38
Key Management Personnel and their relatives		
Mr. Vinay Agrawal	1.10	0.59

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

Nature of Transactions	Year ended 31 March, 2021	Year ended 31 March, 2020
LOAN GIVEN		
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	0.05	0.14
REPAYMENT OF LOAN GIVEN		
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	-	0.09

(C) Amount due to/from related party:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
OTHER RECEIVABLES		
Individuals owning directly or indirectly interest in voting power that gives them control or significant influence and their relatives		
Mr. Dinesh Thakkar	7.50	7.50
Key Management Personnel and their relatives		
Vinay Agarwal	-	0.31
Enterprises in which director is a member		
Angel Insurance Brokers and Advisors Private Limited	0.19	0.14

Refer note 19 (b) for personal guarantee given by director against overdraft facilities obtained from banks.

No rent is charged on property taken from one of the directors which is used as an office by the Group. ₹ 7.50 million pertains to security deposits paid against the same property.

Provision for post-employment benefits like gratuity fund and leave encashment are made based on actuarial valuation on an overall Group basis are not included in remuneration to key management personnel.

Amounts recoverable as mentioned above are unsecured and receivable in cash.

41 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) reviews the operations of the Group in three segment :

- Broking and related services : Broking, advisory, third party product distribution, margin trade facility and other fee based services
- Finance and Investing Activities : Income from financing and investment activities
- Health and allied fitness activities : Income from fitness center operations

The Group's operating segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

Segment revenue, profit, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(₹ in million)

Particulars	For the year ended 31 March, 2021					For the year ended 31 March, 2020				
	Broking and related services	Finance and Investing activities	Health and allied fitness activities*	Unallocated	Total	Broking and related services	Finance and Investing activities	Health and allied fitness activities*	Unallocated	Total
Segment Revenue										
External Revenue (excluding interest income)	10,978.95	1.05	1.31	-	10,981.31	5,755.76	12.50	52.03	-	5,820.29
Interest Income	1,933.09	76.54	0.08	0.19	2,009.90	1,690.68	86.43	0.03	1.76	1,778.90
Inter - Segment Revenue	1.59	7.16	-	-		14.22	4.74	-	-	
Total Revenue	12,913.63	84.75	1.39	0.19	12,991.21	7,460.66	103.67	52.06	1.76	7,599.19
Profit before interest and tax	4,456.48	44.34	(9.75)	0.19	4,491.26	1,619.35	55.14	(34.76)	1.76	1,641.49
Less: Interest expense	378.08	11.26	0.69	-	390.03	486.72	1.87	4.44	-	493.03
Profit before tax	4,078.40	33.08	(10.44)	0.19	4,101.23	1,132.63	53.27	(39.20)	1.76	1,148.46
Less: Income taxes	-	-	-	1,132.67	1,132.67	-	-	-	325.00	325.00
Profit after tax					2,968.56					823.46
Other Information										
Segment Depreciation and Amortization	182.09	1.51	5.33	-	188.93	202.93	6.23	12.07	-	221.23
Segment non-cash expense other than Depreciation	388.00	8.51	0.50	-	397.01	426.65	4.97	0.75	-	432.37

Other Information

(₹ in million)

Particulars	For the year ended 31 March, 2021					For the year ended 31 March, 2020				
	Broking and related services	Finance and Investing activities	Health and allied fitness activities*	Unallocated	Total	Broking and related services	Finance and Investing activities	Health and allied fitness activities*	Unallocated	Total
Segment Assets	46,946.37	990.91	7.52	193.49	48,138.29	20,762.78	833.81	166.82	138.36	21,901.77
Segment Liabilities	36,534.96	168.83	4.01	120.52	36,828.32	15,911.40	10.77	64.95	0.45	15,987.57
Capital Expenditure (including capital work-in-progress)	110.97	-	0.03	-	111.00	122.62	-	3.56	-	126.18

*The Group has discontinued the health and allied fitness activities with effect from 30 June, 2020. (Refer note 52)

Inter segment pricing are at arm's length basis. Profit or loss on inter segment transfer are eliminated at the Group level.

Segment information for secondary segment reporting (by geographical segments)

The Group operates in one geographic segment namely "within India", hence no geographical disclosures are required.

Information about major customers

No customer individually accounted for more than 10 Percent of the revenues in the year ended 31 March, 2021 and 31 March, 2020.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

42 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group has recognised following amounts relating revenue in the statement of profit and loss

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Total revenue from contract with customers	10,778.22	5,644.00

Disaggregation of revenue from contracts with customers

Set out below is the disaggregated information on revenue from contracts with customers:

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Primary geographical market		
Within India	10,778.22	5,644.00
Outside India	-	-
Total	10,778.22	5,644.00
Timing of revenue recognition		
Services transferred at a point in time	10,492.06	5,436.49
Services transferred over a period of time	286.16	207.51
Total	10,778.22	5,644.00

Contract Balances

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Trade Receivables	2,276.95	390.27
Revenue received in advance (contract liability)*	53.85	103.38

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Amounts included in contract liability at the beginning of the year	103.38	73.64

* Applying practical expedient as given in Ind AS 115, the Company has not disclosed movement of contract liabilities as the performance obligation is part of a contract that has an original expected duration of one year or less.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

43 LEASES

Information about lease

The Group has taken office premises at certain locations on operating lease.

The changes in the carrying value of right of use assets (ROU) for the year ended 31 March, 2021 and 31 March, 2020 has been disclosed in Note 16.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The movement in lease liabilities has been disclosed in Note 19.

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Less than one year	27.62	82.09
One to five years	39.73	130.48
More than five years	0.99	6.15
Total	68.34	218.72

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

The total cash outflows for leases are ₹ 52.95 million for the year ended 31 March, 2021 (31 March, 2020: ₹ 83.92 million).

Short term and low value lease:

Rental expense incurred and paid for short term leases is ₹ 8.73 million (31 March, 2020: ₹ 9.37 million).

Rental expense incurred and paid for Low value leases is ₹ NIL (31 March, 2020: ₹ 0.02 million).

COVID-19-related rent concessions (Amendment to Ind AS 116)

1. The Group has adopted the amendment to Ind AS 116 in its financial statements for all rent concessions that meet the criteria and
2. As a result of above the Group has accounted for rent concessions of ₹ 41.86 million (31 March, 2020 : ₹ Nil) as negative variable lease payments in the statement of profit and loss.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

44 FAIR VALUE MEASUREMENT

A Financial instruments by category :

(₹ in million)

	FVOCI	FVTPL	Amortised Cost
AS AT 31 MARCH, 2021			
Financial Assets			
Cash and cash equivalents	-	-	5,877.76
Bank Balance other than cash and cash equivalent	-	-	12,896.71
Trade Receivables	-	-	2,276.95
Loans	-	-	11,284.93
Investments	-	55.40	-
Other Financial assets	-	-	14,289.33
Total Financial Assets	-	55.40	46,625.68
Financial Liabilities			
Trade payables	-	-	22,764.29
Borrowings	-	-	11,714.69
Other financial liabilities	-	-	1,797.06
Total Financial liabilities	-	-	36,276.04
AS AT 31 MARCH, 2020			
Financial Assets			
Cash and cash equivalents	-	-	6,132.36
Bank Balance other than cash and cash equivalent	-	-	8,003.23
Trade Receivables	-	-	390.27
Loans	-	-	2,805.78
Investments	-	352.65	-
Other Financial assets	-	-	2,705.83
Total Financial Assets	-	352.65	20,037.47
Financial Liabilities			
Trade payables	-	-	9,394.93
Borrowings	-	-	4,908.79
Other financial liabilities	-	-	1,304.65
Total Financial liabilities	-	-	15,608.37

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).

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

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

(₹ in million)

	Level 1	Level 2	Level 3	Total
AS AT 31 MARCH, 2021				
Financial assets measured at fair value through profit or loss*				
Investment in equity instruments	0.00	-	-	0.00
Investment in mutual funds	55.40	-	-	55.40
AS AT 31 MARCH, 2020				
Financial assets measured at fair value through profit or loss*				
Investment in equity instruments	0.00	-	-	0.00
Investment in mutual funds	352.65	-	-	352.65

The carrying amount of cash and bank balances, trade receivables, loans, trade payables and other receivables and payables are considered to be the same as their fair values. 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 investment in equity investment valued at quoted closing price on stock exchange / other basis based on materiality and investment in mutual fund at closing NAV as at reporting period.

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group 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 three 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. The Group is exposed to interest rate risk arising mainly from borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by maintaining a debt portfolio comprising a mix of fixed and floating rate borrowings. At the reporting date, the interest profile of the Group's borrowings is as follows:

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

Interest rate risk exposure

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Fixed rate borrowings	70.69	177.73
Variable rate borrowings	11,644.00	4,731.06
Total borrowings	11,714.69	4,908.79

Interest rate sensitivity

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

(₹ in million)

	Increase/ decrease in basis points	Effect on profit before tax
AS AT 31 MARCH, 2021		
₹	50 bp	(58.22)
₹	(50 bp)	58.22
AS AT 31 MARCH, 2020		
₹	50 bp	(23.66)
₹	(50 bp)	23.66

(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 Group 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 Group will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Group 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 Group's major classes of financial assets are cash and cash equivalents, loans, term deposits, 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. Security deposits are kept with stock exchanges for meeting minimum base capital requirements. These deposits do not have any significant credit risk.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Group has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

a) Expected credit loss

A) Trade receivables

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

The application of simplified approach does not require the Group 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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics as follow:

- Receivable from Brokerage (Secured by collaterals mainly in form of Securities of listed Group)
- Receivable from Exchange (Unsecured)
- Receivable from Depository (Secured by collaterals mainly in form of Securities of listed Group).

Receivable from Exchange (Unsecured): There are no historical loss incurred in respect of Receivable from exchange. Entire exposure / receivable as at each reporting period is received and settled within 7 days from reporting period. Therefore, no ECL is recognised in respect of receivable from exchange.

Receivable from Brokerage and depository: Group has large number of customer base with shared credit risk characteristics. As per risk management policy of the Group, trade receivable to the extent not covered by collateral (i.e. unsecured trade receivable) is considered as default and are fully written off as bad debt against respective trade receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the income statement as bad debts recovered. Trade receivable of the Group is of short duration with credit period ranging up to maximum 30 days. In case of delay in collection, the Group has right to charges interest (commonly referred as delayed payment charges) on overdue amount for the overdue period. However, in case of receivable from depository, the Group doesn't have right to charge interest. Though credit period given to customer in respect of receivable from depository is very short, generally there is significant delay in ultimate collection. The Group has computed expected credit loss due to significant delay in collection. Effective interest rate on these trade receivable for the purpose of computing time value loss is considered as incremental borrowing rate.

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Trade receivable		
Past due 1-30 days	2,167.45	263.86
Past due 31-60 days	0.47	14.26
Past due 61-90 days	0.24	3.85
Past due more than 90 days	123.80	121.53
Loss allowances	(15.01)	(13.23)
Net Carrying amount	2,276.95	390.27

Movements in the allowances for impairment in respect of trade receivables and loans is as follows:

(₹ in million)

	As at 31 March, 2021	As at 31 March, 2020
Opening Provision	13.23	18.32
Creation / (utilisation) during the year	1.78	(5.09)
Closing provision	15.01	13.23

B) Loans

i) Loan against Margin Trading facilities:

In accordance with Ind AS 109, the Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Group has large number of customer base with shared credit risk characteristics. Loan against margin trading facilities are secured by collaterals. As per policy of the Group, loan against Margin trade facilities

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

to the extent not covered by collateral (i.e. unsecured portion) is considered as default and are fully written off as bad debt against respective loan receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the Group is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these loans is the maximum contractual period (i.e. on demand / one day).

For the computation of ECL, the loan against margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

Staging as per Ind AS 109	Loan receivable including interest
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The Group does not have any loan book which may fall under stage 2 or stage 3.

ECL is computed as follow assuming that these loans are fully recalled by the Group at each reporting period:

EAD is considered as loan receivable including interest (net of write off).

PD is considered at 100% for all loans receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

ii) Loans against securities

In accordance with Ind AS 109, the Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Group has large number of customer base with shared credit risk characteristics. Loans against securities are repayable by customer unconditionally in full on demand at the absolute discretion of the Group. Loan against securities are secured by collaterals.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these loans is the maximum contractual period (i.e. on demand/one day).

For the computation of ECL, the loans against securities are classified into three stages as follows:

Staging as per Ind AS 109	Loan receivable including interest
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

ECL is computed as follow assuming that these loans are fully recalled by the Group at each reporting period:

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

EAD is considered as loan receivable including interest (net of write off).

PD is considered at 100 Percent for all loans receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

Interest on Stage 3 assets is recognised based on net carrying amount of financial assets. PD and LGD of 100 Percent is applied on interest recognised on Stage 3 assets.

Default:

As per risk management policy, all financial asset which are 90 days past due, are considered as 'default' unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy:

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) whether the Group's recovery method is foreclosing on collateral and the value of the collaterals is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity. The Group still seeks to recover the amount it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

Following table provides information about exposure to credit risk and ECL on Loan

(₹ in million)

Stages	As at 31 March, 2021	As at 31 March, 2020
Stage 1	624.97	191.00
Stage 2	12.46	2.69
Stage 3	25.30	122.82
Less: Provision for expected credit loss	(10.75)	(6.54)
Total Carrying value	651.98	309.97

Analysis of changes in the Impairment loss allowance:

(₹ in million)

	As at 31 March, 2021			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	2.08	1.04	3.42	6.54
Originated or new	0.12	0.02	0.37	0.51
Matured or repaid (excluding write offs)	(0.23)	(0.01)	(0.32)	(0.56)
Transfer to stage 1	-	(0.00)	(0.03)	(0.03)
Transfer to stage 2	0.07	-	(0.19)	(0.12)
Transfer to stage 3	2.19	0.02	-	2.21
Increase / (decrease) in ECL provision without changes in stages	1.94	(0.00)	0.26	2.20
Impairment loss allowance - Closing balance	6.17	1.07	3.51	10.75

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

(₹ in million)

	As at 31 March, 2020			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	0.55	0.73	4.27	5.55
Originated or new	0.18	0.01	0.26	0.45
Matured or repaid (excluding write offs)	(0.01)	(0.02)	(0.47)	(0.50)
Transfer to stage 1	-	0.09	(0.17)	(0.08)
Transfer to stage 2	0.03	-	(0.14)	(0.11)
Transfer to stage 3	0.49	0.23	-	0.72
Increase / (decrease) in ECL provision without changes in stages	0.84	0.00	(0.33)	0.51
Impairment loss allowance - Closing balance	2.08	1.04	3.42	6.54

Analysis of changes in the Loan amount:

(₹ in million)

	As at 31 March, 2021			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	191.00	2.69	122.82	316.51
Originated or new	139.99	0.93	1.53	142.45
Matured or repaid (excluding write offs)	(47.58)	(0.23)	(2.86)	(50.67)
Transfer to stage 1	-	(0.38)	(4.49)	(4.87)
Transfer to stage 2	5.82	-	(1.60)	4.22
Transfer to stage 3	3.04	0.05	-	3.09
Increase / (decrease) in ECL provision without changes in stages	251.48	(0.00)	0.52	252.00
Impairment loss allowance - Closing balance	543.75	3.06	116.92	662.73

(₹ in million)

	As at 31 March, 2020			
	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	570.14	78.09	55.97	704.20
Originated or new	51.16	0.27	0.56	51.99
Matured or repaid (excluding write offs)	(111.22)	(19.56)	(29.42)	(160.20)
Transfer to stage 1	-	(26.02)	(5.64)	(31.66)
Transfer to stage 2	(1.93)	-	(0.46)	(2.39)
Transfer to stage 3	(42.55)	(1.94)	-	(44.49)
Increase / (decrease) in ECL provision without changes in stages	(197.73)	0.11	(3.32)	(200.94)
Impairment loss allowance - Closing balance	267.87	30.95	17.69	316.51

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

Comparison between the provisions required under the IRACP and the impairment allowance computed as per Ind AS 109:

(₹ in million)

Assets classification as per RBI norms	As at 31 March, 2021					
	Asset classification as per Ind AS	Gross carrying amount as per Ind AS	Loss allowance (Provision as per Ind AS)	Net carrying amount as per Ind AS	Provision required as per IRACP	Difference between provision as per Ind AS 109 and IRACP
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
PERFORMING ASSETS (PA)						
Standard	Stage 1	624.96	2.81	622.15	1.56	1.25
	Stage 2	12.46	0.27	12.19	0.03	0.24
	Stage 3	0.31	-	0.31	0.00	(0.00)
Subtotal for PA		637.73	3.08	634.65	1.59	1.49
NON-PERFORMING ASSETS (NPA)						
Substandard	Stage 3	17.34	1.75	15.59	1.56	0.19
Doubtful-upto 1 year	Stage 3	-	-	-	-	-
Doubtful-upto 1 to 3 years	Stage 3	0.41	0.13	0.28	0.07	0.06
Doubtful-More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	7.25	5.79	1.46	7.11	(1.32)
Subtotal for NPA		25.00	7.67	17.33	8.74	(1.07)
Other itemssuch as guarantees, loan, commitments,etc which are in the scope of Ind AS 109 but not covered under current IRACP	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	624.96	2.81	622.15	1.56	1.25
	Stage 2	12.46	0.27	12.19	0.03	0.24
	Stage 3	25.31	7.67	17.64	8.74	(1.07)
	Total	662.73	10.75	651.98	10.33	0.42

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

Comparison between the provisions required under the IRACP and the impairment allowance computed as per Ind AS 109:

(₹ in million)

Assets classification as per RBI norms	As at 31 March, 2020					
	Asset classification as per Ind AS	Gross carrying amount as per Ind AS	Loss allowance (Provision as per Ind AS)	Net carrying amount as per Ind AS	Provision required as per IRACP	Difference between provision as per Ind AS 109 and IRACP
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
PERFORMING ASSETS (PA)						
Standard	Stage 1	191.00	1.34	189.66	0.48	0.86
	Stage 2	2.69	0.14	2.55	0.01	0.13
	Stage 3	113.33	0.65	112.68	0.28	0.37
Subtotal for PA		307.02	2.13	304.89	0.77	1.36
NON-PERFORMING ASSETS (NPA)						
Substandard	Stage 3	5.02	0.51	4.51	0.45	0.06
Doubtful-upto 1 year	Stage 3	-	-	-	-	-
Doubtful-upto 1 to 3 years	Stage 3	0.46	0.12	0.33	0.09	0.03
Doubtful-More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	4.01	3.78	0.23	3.95	(0.17)
Subtotal for NPA		9.49	4.41	5.08	4.49	(0.08)
Other items such as guarantees, loan, commitments, etc which are in the scope of Ind AS 109 but not covered under current IRACP	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	191.00	1.34	189.66	0.48	0.86
	Stage 2	2.69	0.14	2.55	0.01	0.14
	Stage 3	122.82	5.06	117.76	4.77	0.28
	Total	316.51	6.54	309.97	5.26	1.28

Presented in compliance with RBI Notification number DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020.

b) Collaterals

The Group holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

(₹ in million)

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
	As at 31 March, 2021	As at 31 March, 2020	
Loan against securities	98.77%	98.15%	Shares and securities
Loans for Margin trading facility	99.96%	98.76%	Shares and securities

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group's financial liabilities:

(₹ in million)

	0 - 1 year	1-2 year	2-3 year	3-4 year	Beyond 4 years	Total
AS AT 31 MARCH, 2021						
Borrowings	11,650.83	4.65	4.16	1.42	0.51	11,661.57
Trade payables	22,762.32	-	-	-	-	22,762.32
Other financial liabilities	1,797.06	-	-	-	-	1,797.06
	36,210.21	4.65	4.16	1.42	0.51	36,220.95
AS AT 31 MARCH, 2020						
Borrowings	2,723.71	18.47	10.17	3.29	0.56	2,756.20
Trade payables	9,394.93	-	-	-	-	9,394.93
Other financial liabilities	1,304.65	-	-	-	-	1,304.65
	13,423.29	18.47	10.17	3.29	0.56	13,455.78

46 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in million)

	As at 31 March, 2021		Total
	Current (Less than 12 months)	Non- Current (More than 12 months)	
ASSETS			
Cash and cash equivalents	5,877.76	-	5,877.76
Bank Balance other than cash and cash equivalents	12,854.81	41.90	12,896.71
Trade Receivables	2,276.95	-	2,276.95
Loans	11,284.93	-	11,284.93
Investments	55.40	0.00	55.40
Other Financial assets	100.21	14,189.12	14,289.33
Inventories	-	-	-
Tax assets (Net)	-	14.82	14.82
Deferred tax assets (Net)	-	47.02	47.02
Investment Property	-	33.94	33.94
Property, Plant and Equipment	-	1,004.43	1,004.43
Intangible assets under development	-	1.83	1.83
Other Intangible assets	-	54.73	54.73
Right to use assets	-	55.18	55.18
Other non-financial assets	107.23	138.03	245.26
Total Assets	32,557.29	15,581.00	48,138.29

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

	As at 31 March, 2021		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
LIABILITIES			
Trade Payables	22,764.29	-	22,764.29
Borrowings	11,677.15	37.54	11,714.69
Other Financial liabilities	1,797.06	-	1,797.06
Tax liabilities (Net)	120.52	-	120.52
Provisions	33.48	57.51	90.99
Other non-financial liabilities	340.77	-	340.77
Total Liabilities	36,733.27	95.05	36,828.32

	As at 31 March, 2020		
	Current (Less than 12 months)	Non- Current (More than 12 months)	Total
ASSETS			
Cash and cash equivalents	6,132.36	-	6,132.36
Bank Balance other than cash and cash equivalents	7,961.85	41.38	8,003.23
Trade Receivables	390.27	-	390.27
Loans	2,805.78	-	2,805.78
Investments	352.65	0.00	352.65
Other Financial assets	38.62	2,667.21	2,705.83
Inventories	0.45	-	0.45
Tax assets (Net)	-	49.18	49.18
Deferred tax assets (Net)	-	48.89	48.89
Investment Property	-	1.28	1.28
Property, Plant and Equipment	-	1,038.77	1,038.77
Intangible assets under development	-	20.88	20.88
Intangible assets	-	47.41	47.41
Right to use assets	-	153.16	153.16
Other non-financial assets	110.50	41.13	151.63
Total Assets	17,792.48	4,109.29	21,901.77
LIABILITIES			
Trade Payables	9,394.93	-	9,394.93
Borrowings	4,775.72	133.07	4,908.79
Other Financial liabilities	1,304.65	-	1,304.65
Tax liabilities (Net)	0.45	-	0.45
Provisions	26.91	40.17	67.08
Other non-financial liabilities	311.68	-	311.68
Total Liabilities	15,814.84	173.24	15,987.58

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

47 CAPITAL MANAGEMENT

The group 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 group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or raise / repay debt. The primary objective of the group's capital management is to maximise the shareholders' value.

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value and to ensure the Group's ability to continue as a going concern. There is no non compliance with any covenants of borrowings.

(₹ in million)

		As at 31 March, 2021	As at 31 March, 2020
Borrowings		11,714.69	4,908.79
Less: cash and cash equivalents		(5,877.76)	(6,132.36)
Net debt	(i)	5,836.93	(1,223.57)
Total Equity	(ii)	11,309.97	5,914.19
Total Capital	(i) + (ii) = (iii)	17,146.90	4,690.62
Gearing ratio	(i) / (iii)	34 %	(26)%

48 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENSES

Gross amount required to be spent by the Group during the year ₹ 28.05 million (Previous year ₹ 23.16 million)

Amount spent during the period ending on 31 March, 2021:

(₹ in million)

	In Cash	Yet to be paid in cash	Total
Construction / acquisition of any asset	-	-	-
On purpose of other than above	28.05	-	28.05

Amount spent during the year ending 31 March, 2020:

(₹ in million)

	In Cash	Yet to be paid in cash	Total
Construction / acquisition of any asset	-	-	-
On purpose of other than above	23.16	-	23.16

49 The Company, in the current year, has completed the Initial Public Offering (IPO) of 1,96,07,835 Equity Shares of Face Value of ₹ 10 each for cash at a price of ₹ 306 per Equity Share aggregating to ₹ 6,000 million comprising a Fresh Issue of 98,03,921 Equity Shares aggregating to ₹ 3,000 million and on offer for sale of 98,03,914 Equity Shares aggregating to ₹ 3,000 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 05 October, 2020.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

The details of utilization of IPO proceeds of ₹ 2,831.70 million, net of IPO expenses of the Company are as follows:

(₹ in million)

Particulars	Total amount	Utilised up to 31 March, 2021	Un-utilised up to 31 March, 2021
working capital requirements	2,300.00	2,300.00	-
General corporate purposes	531.7	506.41	25.29
Total utilised/un-utilised funds	2,831.70	2,806.41	25.29

50 DISCLOSURE OF INTEREST IN SUBSIDIARIES

The consolidated financial statements include the financial statements of Company and its subsidiaries. Group does not have any joint ventures or associates. Angel Broking Limited is the ultimate parent company of the Group.

Significant subsidiaries of Group are:

Name of the entity	Place of business/ Country of incorporation	As at 31 March, 2021	As at 31 March, 2020
Angel Financial Advisors Private Limited	India	100%	100%
Angel Fincap Private Limited	India	100%	100%
Angel Securities Limited	India	100%	100%
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	India	100%	100%
Mimansa Software Systems Private Limited	India	100%	100%

51 ADDITIONAL INFORMATION PURSUANT TO REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013 UNDER GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a. Net assets

(₹ in million)

Name of the entity	As at 31 March, 2021		As at 31 March, 2020	
	% of Consolidated net assets	Amount	% of Consolidated net assets	Amount
HOLDING COMPANY				
Angel Broking Limited	99%	11,107.42	96%	5,684.80
SUBSIDIARIES (INDIAN)				
Angel Financial Advisors Private Limited	0%	47.87	1%	53.24
Angel Fincap Private Limited	3%	327.53	6%	326.58
Angel Securities Limited	0%	43.16	1%	59.57
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	(2%)	(239.13)	(4%)	(232.68)
Mimansa Software Systems Private Limited	0%	23.12	0%	22.68
Total	100%	11,309.97	100%	5,914.19

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

b. Share in profit or loss

(₹ in million)

Name of the entity	Year ended 31 March, 2021		Year ended 31 March, 2020	
	% of Consolidated net profit/ (loss)	Amount	% of Consolidated net profit/ (loss)	Amount
HOLDING COMPANY				
Angel Broking Limited	99%	2,947.73	100%	827.90
SUBSIDIARIES (INDIAN)				
Angel Financial Advisors Private Limited	0%	6.09	1%	6.30
Angel Fincap Private Limited	1%	34.49	5%	38.53
Angel Securities Limited	0%	(8.14)	0%	2.70
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	(0%)	(4.76)	(5%)	(44.43)
Mimansa Software Systems Private Limited	(0%)	(6.85)	(1%)	(7.54)
Total	100%	2,968.56	100%	823.46

c. Share in Other Comprehensive Income

(₹ in million)

Name of the entity	Year ended 31 March, 2021		Year ended 31 March, 2020	
	% of Consolidated OCI	Amount	% of Consolidated OCI	Amount
HOLDING COMPANY				
Angel Broking Limited	92%	(11.57)	97%	(9.30)
SUBSIDIARIES (INDIAN)				
Angel Financial Advisors Private Limited	2%	(0.22)	2%	(0.19)
Angel Fincap Private Limited	5%	(0.57)	0%	0.01
Angel Securities Limited	0%	0.01	0%	-
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	1%	(0.10)	1%	(0.10)
Mimansa Software Systems Private Limited	0%	(0.05)	0%	(0.03)
Total	100%	(12.50)	100%	(9.61)

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

d. Share in Total Comprehensive Income

(₹ in million)

Name of the entity	Year ended 31 March, 2021		Year ended 31 March, 2020	
	% of Consolidated OCI	Amount	% of Consolidated OCI	Amount
HOLDING COMPANY				
Angel Broking Limited	99%	2,936.16	101%	818.60
SUBSIDIARIES (INDIAN)				
Angel Financial Advisors Private Limited	0%	5.87	1%	6.11
Angel Fincap Private Limited	1%	33.92	5%	38.54
Angel Securities Limited	0%	(8.13)	0%	2.70
Angel Digitech Services Private Limited (Formerly known as Angel Wellness Private Limited)	0%	(4.86)	(5%)	(44.53)
Mimansa Software Systems Private Limited	0%	(6.90)	(1%)	(7.57)
Total	100%	2,956.06	100%	813.85

52 NOTE ON DISCONTINUED OPERATIONS

The current economic environment on account of Covid 19 posed significant challenges to the Gym and Healthcare business. The Company used to operate into the Gym and healthcare business. After evaluating various options relating to sustainability of this business, Board of Directors of the Company has decided in its meeting dated 23 June, 2020 to discontinue / abandon this line of business with effect from 30 June, 2020.

However, Management has decided to enter into new business activities and use existing resources to continue for the foreseeable future. Management also believes that they will be able to use the assets pertaining to existing operations as part of new business activities and accordingly, all assets and liabilities have been carried at the book value and have not classified as Held for Sale.

Further, as per the requirements of accounting standards, Discontinued operations are excluded from the results of continuing operations and are presented separately as profit or loss from discontinued operations in the Statement of Profit and Loss.

a. Financial performance:

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
INCOME		
(a) Revenue from operations	-	47.23
(b) Other income	1.39	4.83
Total income (I)	1.39	52.06
EXPENSES		
(a) Finance costs	0.69	4.44
(b) Impairment on financial instruments	-	0.13
(c) Employee benefits expenses	3.63	30.02
(d) Depreciation expense	5.33	12.07
(e) Other expenses	2.18	44.61
Total expense (II)	11.83	91.27
Profit / (Loss) before tax (I-II=III)	(10.44)	(39.21)

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021 (Contd.)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Deferred Tax	1.58	5.22
Total tax expense (IV)	1.58	5.22
Loss for the year after tax (III-IV=V)	(12.02)	(44.43)

b. Cash Flow Statement

(₹ in million)

	Year ended 31 March, 2021	Year ended 31 March, 2020
Net cash used in operating activities	(36.58)	(23.76)
Net cash used in investing activities	(0.03)	(3.52)
Net cash flows from financing activities	29.81	33.25

53 SUBSEQUENT EVENTS:

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

- The Board of Directors at its meeting held on 22 April, 2021 have declared third interim dividend of ₹ 7.5 per equity share.

54 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.

55 The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of the country, governments have introduced a variety of measures to contain the spread of the virus, including, lockdowns, and restrictions on movement of people and goods across different geographies.

Stock broking services, being part of Capital Market operations have been declared as essential services and accordingly the Group has faced no business interruption on account of the lockdowns. In case there is a disruption in the functioning of capital markets, the business of the Group may be affected.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March, 2021

There has been no material change in the controls or processes followed in the closing of the financial statements of the Group.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 pandemic on the Group. Based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Group and the carrying value of assets and liabilities is minimal. The ongoing COVID-19 situation may result in some changes in the overall economic and market conditions, which may in turn have an impact on the operations of the Group.

56 The financial statements of the Group were authorised for issue in accordance with a resolution of the directors on 05 May, 2021.

As per our report of even date
For **S.R. Batliboi & Co. LLP**
Firm Registration No. : 301003E / E300005
Chartered Accountants

Viren H. Mehta
Partner
Membership No : 048749

Place : Mumbai
Date : 05 May, 2021

For and on behalf of the Board of Directors

Dinesh Thakkar
Chairman and Managing Director
Din : 00004382

Naheed Patel
Company Secretary
Membership No: ACS22506

Place : Mumbai
Date : 05 May, 2021

Narayan Gangadhar
Chief Executive Officer
Place: San Francisco

Vineet Agrawal
Chief Financial Officer



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