AUDIT REPORT
&
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
31^{ST} MARCH 2020

WAY2WEALTH ENTERPRISES PRIVATE LIMITED

1^{st} Floor, OM Square, Plot No.89,
Municipal Employee Colony,
Vijayawada Krishna
ANDHRA PRADESH – 520010

SUNDARESHA & ASSOCIATES
Chartered Accountants,
Professional Court, I Floor,
27/7, 15^{th} Cross,
3^{rd} Block, Jayanagar,
BANGALORE – 560 011

SUNDARESHA & ASSOCIATES
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INDEPENDENT AUDITOR'S REPORT

To the Members of M/s.WAY2WEALTH ENTERPRISES PRIVATE LIMITED

Report on the Audit of the Ind AS financial Statements

Opinion

We have audited the Ind AS financial statements of M/s.WAY2WEALTH ENTERPRISES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, (including Other Comprehensive Income),the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Ind AS financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

a) We draw attention to Note No.27 of the Ind AS financial statements which states untimely demise of the Group Chairman and consequential investigation initiated by the board of directors of Holding company to ascertain the circumstances leading to the statements made in his letter and assess the impact of such statement on the financial statements.

b) We further draw attention to Note No.28 of the Ind AS financial statements which describes the extent to which Covid-19 pandemic will impact the company's financial results will depend on the future developments, which are highly uncertain.

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

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

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

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FRN 008012S
Chartered Accountants

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

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

Responsibilities of Management for the Ind AS Financial Statements

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

In preparing the Ind AS 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 Ind AS financial Statements

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

- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.

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- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Other Comprehensive Income, the Statement of changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules specified there under.

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

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(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid remuneration to its directors during the year and accordingly provisions section 197 of the Act are not applicable.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

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 SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

(PRADEEPA CHANDRA C)
Membership No.216133
Partner

UDIN: 20216133AAAABU3283

Place: Bangalore

Date : 31.08.2020

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Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2020, we report that:

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) According to the information and explanation given to us, the fixed assets have been physically verified by the management in a phased and periodical manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no discrepancies are noted on such verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property. Thus, paragraph 3(i)(c) of the Order is not applicable.

ii. The Company is a service oriented company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not granted loans to any party covered in the register to be maintained under section 189 of the Companies Act, 2013 ("the Act").

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable, with respect to loans. The company has not made any investments and has not provided security or guarantee for loan taken by others.

v. The Company has not accepted any deposits from the public.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

   As explained to us, the Company did not have any dues on account of employee's state insurance, service tax, Goods and Service Tax (GST), sales tax, value added tax, duty of customs and duty of excise.

   According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, there are no material dues of provident fund, income tax which have not been deposited with the appropriate authorities on account of any dispute.

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viii. The company is regular in repayment of dues to financial institutions. The Company has not availed any credit facility from bank or Government. The Company has not issued any debenture during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided any managerial remuneration. Thus paragraph 3(xi) of the order is not applicable

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company:

a) Provisions of sections 177 are not applicable for the company during the period under audit. Related party transactions are in compliance with the provisions of section 188 of the Act.

b) Details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards in the financial statements

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SUNDARESHA & ASSOCIATES,
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

Place: Bangalore

Date : 31.08.2020

(PRADEEPA CHANDRA C)
Membership No.216133
Partner
UDIN: 20216133AAAABU3283

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Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of WAY2WEALTH ENTERPRISES PRIVATE LIMITED ("the Company") as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the period 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, based on the test checks conducted by us, the Company has, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at 31 March 2020, 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.

For SUNDARESHA & ASSOCIATES,
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES ★ Chartered Accountants ★ FRN 008012S

Place: Bangalore

Date : 31.08.2020

(PRADEEPA CHANDRA C)
Membership No.216133
Partner
UDIN : 20216133AAAABU3283

WAY2WEALTH ENTERPRISES PRIVATE LIMITED

CIN : U65999AP2017PTC106315

1st Floor, OM Square plot No.89,Municipal employee colony

Near Gupta Kalyana Mandapam Vijayawada Krishna. Andhra Pradesh, India-520010

BALANCE SHEET AS AT 31 MARCH 2020

Amount in Rs. Thousands

Particulars	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	243	522
Deferred tax assets (net)	5	299	5,196
Total non-current assets		542	5,718
Current assets			
Financial assets			
- Investments	6	924	-
- Loans	7	8,119	-
- Other current financial assets	8	9,220	42,379
Other current assets	9	1,493	657
Current tax assets (net)	10	-	78
Total current assets		19,756	43,114
Total assets		20,298	48,832
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	100	100
Other equity	12	7,220	13,011
Total equity		7,320	13,111
Non-current liabilities			
Provisions	13	2,756	1,053
Total non-current liabilities		2,756	1,053
Current liabilities			
Financial liabilities			
- Other financial liabilities	14	9,632	30,383
Other current liabilities	15	313	4,169
Provisions	16	277	116
Total current liabilities		10,222	34,668
Total equity and liabilities		20,298	48,832
Significant accounting policies and other notes	1 to 37		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

CA PRADEEPA CHANDRA C
Partner
Membership No.216133

Bangalore
Date: 31.08.2020

For and on behalf of the Board of Directors of
WAY2WEALTH ENTERPRISES PVT LTD

MANJUNATHA K M
Director
DIN: 05211379

ANIL KUMAR K G
Director
DIN: 03570341

WAY2WEALTH ENTERPRISES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

Amount in Rs. Thousands

Particulars	Note	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Income			
Revenue from operations	17	67,135	2,94,101
Other income	18	432	895
Total income		67,567	2,94,996
Expenses			
STT, CTT and Stock exchanges Expenses	19	50,278	2,46,196
Employee benefits expense	20	9,046	60,728
Finance costs	21	1,157	1,213
Depreciation and amortization expense	22	279	278
Other expenses	23	7,622	6,125
Total expenses		68,382	3,14,540
Profit/(loss) before tax		(815)	(19,544)
Tax expense:			
- Current tax	24	-	(2,267)
- Deferred tax	24	4,896	(4,321)
Profit/(loss) for the year		(5,711)	(12,956)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plan		(80)	(2,358)
		(80)	(2,358)
Income tax relating to items that will not be reclassified to profit or loss		-	(606)
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
		-	-
Other comprehensive income for the year		(80)	(1,752)
Total Comprehensive Income for the year		(5,791)	(14,708)
Earnings per equity share of Rs.10/- each			
- Basic (Rs.)	28	(571.16)	(1,295.60)
- Diluted (Rs.)	28	(571.16)	(1,295.60)
Significant accounting policies and other notes	1 to 37		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

CA PRADEEPA CHANDRA C
Partner
Membership No.216133

Bangalore
Date: 31.08.2020

For and on behalf of the Board of Directors of
WAY2WEALTH ENTERPRISES PVT LTD

MANJUNATHA K M
Director
DIN: 05211379

ANIL KUMAR K G
Director
DIN: 03570341

WAY2WEALTH ENTERPRISES PRIVATE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

Amount in Rs. Thousands

Particualrs	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Cash Flows from Operating Activities		
Profit/(Loss) for the year	(815)	(19,544)
Adjustments:		
- Interest income	(408)	(803)
- Dividend income	(11)	-
- Interest expense (including fair value change in financial instruments)	1,157	1,213
- Depreciation and amortization	279	278
Operating cash flow before working capital changes	202	(18,856)
Changes in		
- Current and non-current financial assets	23,981	(34,001)
- Other current and non-current assets	(836)	10,645
- Current and non-current financial liabilities	2,169	(29,853)
- Other current and non-current liabilities	(2,071)	(18,530)
Cash generated from operations	23,445	(90,595)
Income taxes paid	78	(8,650)
Cash Generated from / (used in) Operations	23,523	(99,245)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	-	(199)
Interest received	542	265
Dividends received	11	-
Net Cash generated from/(used in) Investing Activities	553	66
Cash Flows from Financing Activities		
Proceeds from issue of share capital	-	-
Proceeds from/ (repayment of) borrowings	-	(7,553)
Interest paid	(1,157)	(1,212)
Net Cash used in Financing Activities	(1,157)	(8,765)
Increase in Cash and Cash Equivalents	22,919	(1,07,944)
Cash and cash equivalents at the beginning of the year	(28,869)	79,075
Cash and Cash Equivalents at the End of the Year	(5,950)	(28,869)
Components of Cash and Cash Equivalents		
Balances with banks:		
- in current accounts	-	-
Cash on hand	-	-
Book Overdraft	(5,950)	(28,869)
Cash and Cash Equivalents at the End of the Year	(5,950)	(28,869)

Reconciliation of liabilities from financing activities

Particulars		Short term borrowings as at 31st March 2020	Short term borrowings as at 31st March 2019
As at the beginning of the year	(A)	-	7,553
Proceeds		29,000	1,21,790
Repayments		(29,000)	(1,29,343)
Net proceeds	(B)	-	(7,553)
Non cash transactions			
- Effects of changes in foreign exchange rates		-	-
- Fair value changes		-	-
Total non cash transactions	(C)	-	-
As at the end of the year	(A)+(B)+(C)	-	-

As per our report of even date attached
For SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

CA PRADEEPA CHANDRA C
Partner
Membership No.216133

Bangalore

For and on behalf of the Board of Directors of
WAY2WEALTH ENTERPRISES PVT LTD

MANJUNATHA K M
Director
DIN: 05211379

ANIL KUMAR K G
Director
DIN: 03570341

WAY2WEALTH ENTERPRISES PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

a **Equity Share Capital**

Amount in Rs. Thousands

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Balance at the beginning of the year	100	100
Add: Changes during the year	-	-
Balance at the end of the year	100	100

b **Other Equity**

For the Year Ended 31 March 2020

Amount in Rs. Thousands

Particulars	Reserves and Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Remeasurements of defined benefit plan liability/asset	
Balance as at 1 April 2019	14,833	(1,822)	13,011
Profit or (loss) during the year	(5,711)	-	(5,711)
Other comprehensive income during the year	-	(80)	(80)
Balance as at 31 March 2020	9,122	(1,902)	7,220

For the Year Ended 31 March 2019

Amount in Rs. Thousands

Particulars	Reserves and Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Remeasurements of defined benefit plan liability/asset	
Balance as at 1 April 2018	27,789	(70)	27.719
Profit or (loss) during the Year	(12,956)	-	(12,956)
Other comprehensive income during the Year	-	(1,752)	(1,752)
Balance as at 31 March 2019	14,833	(1,822)	13,011

As per our report of even date attached
For SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

CA PRADEEPA CHANDRA C
Partner
Membership No.216133

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Date: 31.08.2020

For and on behalf of the Board of Directors of
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DIN: 03570341

1 Company background

The entity is a limited liability company incorporated in India under the Companies Act, 2013 on 19th July 2017.The registered office of the company is situated at 1st Floor, OM Square plot No.89,Municipal employee colony, near Gupta Kalyana Mandapam Vijayawada Krishna, Andhra Pradesh, India-520010. The company is into the business of trading in securities mainly into dealing/trading in all kinds of financial instrumnets, including algo trading.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, read with section 133 of the Companies Act 2013.

2.02 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013(to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies have been consistently applied except where the change is required by an Ind AS or change results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or condition on the entity's financial position, financial performance or cash flow.

2.03 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

2.04 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.05 Property, plant and equipment and intangible assets

a) Property, plant and equipment:

The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses relating to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

The cost of property, plant and equipment not ready for their intended use, are disclosed as capital work in progress. Advance paid towards the acquisition of fixed assets outstanding at each balance sheet are shown under capital advances.

Depreciation methods, estimated useful lives and residual value

In respect of fixed assets depreciation is charged on a straight line method so as to write off the depreciable amount of the assets over the useful life as mentioned in Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during the year is proporionately charged. Leasehold improvements are depreciated over initial lease period.

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b) Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation methods and estimated useful lives

Intangible assets with finite lives are amortised over the useful economic life on a straight- line basis, commencing from the date is available to the Company for its use and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company estimates the useful lives for intangible assets as follows:

Asset category	Estimated useful life
Computer software	5.86 years

2.06 Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset or a group of assets comprising a cash-generating unit may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

2.07 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

Trading income is recognised when a legally binding contract is executed.

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Futures and options trading income comprises of profit/ loss on derivative instruments and these are marked to market.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

2.08 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At lease commencement date, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements, except for leases with a term of 12 months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. ROU assets and lease liabilities includes, the options to extend or terminate the lease before the end of the lease term, when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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ROU assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. ROU assets are tested for impairment and recoverable amount is determined on an individual asset basis, if it is a Cash Generating Unit (CGU) in itself, otherwise recoverable amount is determined for the CGU to which it belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the portfolio as a whole. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the ROU asset. If the ROU asset balance is not sufficient to cover the adjustment amount, then the remaining balance will be recognised in Statement of profit and loss.

Transition

The company has applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
However lease payments are not material and accordingly there is no transition adjustment required.

2.09 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

b) Initial recognition and measurement

The company recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition. Trade receivables are measured at their transaction price, if the trade receivables do not contain a significant financing component in accordance with Ind AS 115. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss, are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Regular way purchase and sale of financial assets are accounted for at trade date.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

c) Subsequent measurement

Financial assets carried at amortised cost

A financial assets is measured at amortised cost if it is held within a business model whose objective is to hold asset in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is accounted in profit or loss using the effective interest rate method. Impairment losses, forex gain / loss and gain / loss on derecognition of financial asset in this category is recognised in profit or loss.

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

A financial asset is meastured at FVTOCI, if it is held withing a business model whose objective is achieved by both from collection of contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Further equity instruments where the company has made an irrevocable election based on its business model, to classify as instruments measured at FVTOCI, are measured subsequently at fair value through other comprehensive income.
Debt instruments - Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised. Interest income from these financial assets is included in other income using the effective interest rate method.
Equity instruments - Movements in the carrying amount are taken to OCI and there is no subsequent relassificaiton of fiar value gains and losses to profit or loss. Dividend from such investments are recognised in profit or loss.

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Financial assets at fair value through profit or loss (FVTPL)
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. All gains and lossess are recognised in profit or loss.

d) Impairment of financial assets
The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach specified by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e) Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's separate balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

2.10 Financial liabilities

a) Initial recognition and measurement
The company recognises financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs thar are directly attributable to the issue of financial liabilities at fair value through profit or loss are expensed in profit or loss.

b) Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Amortised cost
This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee or the amount paid to the guarantor for assuming the obligations.

Where guarantees in relation to loans to credit facilities of subsidiaries are provided for no compensation the fair values are accounted for as contributions and recognised as part of the cost of investment. Similarly guarantee obtained from holding company for no compensation the fair values are accounted for as capital contribution.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.11 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

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2.15 Employee benefits

a) Short-term benefit plans

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Defined contribution plan

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions, if any, are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

c) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

d) Other long-term benefit plans

The liabilites for compensated absenceses are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services. The present value of compensated absenceses obligation is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, as at year end. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit and loss . Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

2.16 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.17 Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

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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.

Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

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2.18 Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

2.19 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.20 Cash flow statement

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

2.21 Earnings per share

The basic earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to owner's of the company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.22 Segment reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company performance and allocates resources based on an analysis of various performance indicators by business segments.

2.23 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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3 General notes

a) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind ASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. However there are no significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements of the company.

b) Recent accounting pronouncements

There is no notification of new standard or amendments to the existing standards which are applicable from April 1, 2020.

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WAY2WEALTH ENTERPRISES PRIVATE LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2020

4 Property, Plant and Equipment

Amount in Rs. Thousands

Particulars	Computers	Total
Balance as at 1 April 2018	681	681
Additions	199	199
Deletions	-	-
Balance as at 31 March 2019	880	880
Balance as at 1 April 2019	880	880
Additions	-	-
Deletions	-	-
Balance as at 31 Mar 2020	880	880
Accumulated depreciation		
Balance as at 1 April 2018	80	80
Charge for the year	278	278
Disposals	-	-
Balance as at 31 March 2019	358	358
Accumulated depreciation		
Balance as at 1 April 2019	358	358
Charge for the period	279	279
Disposals	-	-
Balance as at 31 Mar 2020	637	637
Carrying amount:		
As at 31 March 2019	522	522
As at 31 March 2020	243	243

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5 **Deferred tax assets (net)**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax assets		
Unused tax Loss	-	5,769
Employee benefit expenses :		
- Gratuity	112	96
- Leave encashment	318	80
Pre incoroporation expenses	2	2
Deferred tax liability		
Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per	-	(31)
Net unrealised loss on open future positions	(109)	(720)
Net gain on fair valuation of equity or debt instruments	(23)	-
	299	5,196

6 **Current investments**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Quoted (measured at FVTPL)		
(i) Investments in equity instruments	924	-
	924	-
Aggregate amount of quoted investments and market value thereof	924	-
Aggregate amount of unquoted investments		
Aggregate amount of impairment of value of investment		

7 **Loans**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans to related parties:		
- Way2wealth Securities Private limited	8,119	-
	8,119	-

Loan to related parties is repayable on demand.
Rate of interest on unsecured loan to Way2Wealth Securities Pvt Ltd is 12 5% p a.

8 **Other current financial assets**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Interest accrued	404	538
Balances with stock brokers	8,616	41,841
Staff Advances	200	-
	9,220	42,379

9 **Other current assets**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Prepayments	93	165
Other Receivable	1,400	492
	1,493	657

10 **Current tax assets (net)**

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Current tax assets (net)	-	78
	-	78

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Notes to the Financial Statements for the Year Ended 31 March 2020

11 Equity Share capital

Amount in Rs. Thousands (except share data)

(a) Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
1,00,000 equity shares of Rs 10 each	1,000	1,000
	1,000	1,000
Issued, subscribed and fully paid up		
10,000 equity shares of Rs.10 each	100	100
	100	100

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

	For the Year Ended 31 March 2020		For the Year Ended 31 March 2019	
	No of shares	Amount	No of shares	Amount
Number of shares at the beginning of the year	10,000	100	10,000	100
Add: Changes during the year	-	-	-	-
Number of shares outstanding at the end of the year	10,000	100	10,000	100

(c) **The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:**

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. However, interim dividend can be declared by the Board of Directors subject to the provisions of the Companies Act 2013, relevant rules and regulations thereunder. In the event of liquidation of the company, the equity share holders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(d) **Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company**

Particulars	As at 31 March 2020	As at 31 March 2019
Way2Wealth Securities Private Limited (Holding Company) (Including shares held by nominee share holders)	10,000	10,000

(e) **Equity shareholders holding more than 5% of equity shares held at the beginning and at the end of the year is as given below:-**

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	% of holding	No of shares	% of holding	No of shares
Way2Wealth Securities Private Limited (Holding Company)	100.00%	10,000	100.00%	10,000

(f) The company has not reserved any shares for issue under options and contracts or commitment for the sale of shares or disinvestments. The company has not issued any securities convertible into equity shares.

(g) The company has not alloted any shares for consideration other than cash and company has nither alloted fully paid shares by way of bonus shares nor has bought back shares during the period of five years immediately preceeding the balance sheet date

12 Other equity

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
a) Retained earnings	9,122	14,833
b) Remeasurements of defined benefit plan liability/asset	(1,902)	(1,822)
	7,220	13,011

For details of movement during the year refer Statement of Changes in Equity

Nature and purpose of other equity:

Retained Earnings:

Retained Earnings comprise of the company's accumulated undistributed earnings.

Remeasurements of defined benefit plan liability/asset

Remeasurements of defined benefit plan liability/asset comprises acturial gains or losses and returns on plan asset, if any, excludes interest income.

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13 Non-current provisions

Particulars	Amount in Rs. Thousands	
	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	1,666	806
- Leave encashment	1,090	247
(For details refer note no.34)		
	2,756	1,053

14 Other current financial liabilities

Particulars	Amount in Rs. Thousands	
	As at 31 March 2020	As at 31 March 2019
- Accrued compensation to employees	955	692
- Book Overdraft	5,950	28,869
- Accrued expenses	1,786	822
- Interest accrued	-	-
- Dues to brokers	941	-
	9,632	30,383

15 Other current liabilities

Particulars	Amount in Rs. Thousands	
	As at 31 March 2020	As at 31 March 2019
Statutory dues	313	300
Other payable	-	3,869
	313	4,169

16 Current provisions

Particulars	Amount in Rs. Thousands	
	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	105	56
- Leave encashment	172	60
(For details refer note no.34)		
	277	116

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17 Revenue from operations

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Other operating revenue		
- Trading income - securities	67,135	2,94,101
	67,135	2,94,101

18 Other income

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Interest income	408	803
Dividend income	11	-
Excess provisions written back	13	92
	432	895

19 STT, CTT and Stock exchanges Expenses

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Securities and Commodities Transaction Tax	30,174	1,58,371
Transaction charges	12,449	65,901
Bandwidth charges	6,781	15,827
Brokerage & Other Charges	874	6,097
	50,278	2,46,196

20 Employee benefits expense

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Salaries and wages	7,285	55,356
Contribution to provident and other funds	307	2,861
Gratuity	135	909
Compensated absences	1,080	52
Staff welfare expenses	239	1,550
	9,046	60,728

21 Finance costs

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Interest Expense		
- loans from related parties	1,157	196
- interest on income tax	-	1,017
	1,157	1,213

22 Depreciation and amortization expense

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Depreciation of property, plant and equipment (refer note 4)	279	278
	279	278

23 Other expenses

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Rent	1,733	2,269
Power and fuel	223	328
Legal, professional and consultancy	4,640	1,891
Rates and taxes	18	74
Auditor's remuneration	472	561
Travelling and conveyance	15	21
Repairs and maintenance	-	-
- others	347	346
Insurance	172	632
Miscellaneous expenses	2	3

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24 **Income tax**

(a) **Major components of income tax expense**

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	(2,267)
	-	(2,267)
Deferred tax:		
Relating to origination and reversal of temporary differences	4,750	(4,371)
Increase/ reduction of tax rate	146	50
	4,896	(4,321)
Income tax expense reported in the statement of profit or loss	4,896	(6,588)

(b) **Deferred tax related to items recognised in OCI:**

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Remeasurements of defined benefit plan actuarial gains/ (losses)	-	(606)
Income tax charged to OCI	-	(606)

(c) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:**

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Profit/ (loss) before tax from continuing operations	(815)	(19,544)
Indian tax rate	25.17%	26.00%
Tax at the Indian tax rate	(205)	(5,081)
Effect of:		
Non-deductible expenses for tax purposes	4	280
Adjustments in respect of current income tax of previous years	-	(2,267)
Increase/ reduction of tax rate	146	50
Deferred tax not recognised in respect of unused tax losses	4,924	-
Others	27	430
Income tax expense	4,896	(6,588)

(d) Amounts of current and deffered tax directly recognised in equity is Rs.Nil (PY: Rs.Nil)

(e) **Uncertain tax position**

There are no uncertain tax positions as at the end of the reporting period.

f) **Deferred Tax Asset not Recognised :**

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Accumulated loss as per Income tax as on 31.03.2020	19,562	-
Deferred tax rate	25.17%	-
Carry forward loss under Income tax regulation to be set off in subsequent years	4,924	-

i) Major portion of the above loss can be carried forward and set off upto AY 2027-28 (relevant to FY 2026-27)

ii) Deferred tax assset is not recognised in the absence of reasonable certainity of realisabitliy of the same in future

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25 Operations, major events & Impact of COVID-19

a)The Board of Director of the Holding Company, M/s.Coffee Day Enterprises Limited, at their meeting held on 30 August 2019 appointed Mr.Ashok Kumar Malhotra, retired DIG of Central Bureau of Investigation (CBI) who is assisted by Agastya Legal LLP lead by its senior partner Dr.M.R.Venkatesh and other professionals as decided by Mr.Ashok Kumar Malhotra to investigate the circumstances leading to the statements made in the letter of the former Group Chairman late V.G.Siddhartha and to scrutinise the books of accounts of the Holding Company and its subsidiaries. The investigation is currently in progress. These financial statements are subject to release of investigation report and the possible impact, if any of the said report on these financial results. However in view of the managment there is no material impact of the same on these financial statements.

b) During the year there is outbreak of pandemic COVID-19 across the globe, including India, and caused casualties. This also has prompted nations to go under lockdown, and has impacted the economy as a whole. India is also under complete lock down from last week of the financial year 2019-20 and continued in the financial year 2020-21.
However the operations of the company has not been affected materially because of COVID-19. The company is into securities trading business through online platforms. The stock exchanges including stock brokers and other intermediaries are provided with the status of "Essential Services" and accordingly up and running, facilitating smooth conduct of security trading.

Further the company has considered the possible effects that may result from the pandemic relating to COVID-19 on the financial statements and management is of the view that the impact of COVID – 19 is not material.

c) The company was carrying on security trading business through software based High Frequency Trading techniques (HFT). During middle of the financial year 2019-20, it has stopped HFT trading due to business re organisation in the group, and relying only on classical human interface techniques.

26 Contingent liabilities, commitments and contingent assets

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent liabilities:		
Claims against the company not acknowledged as debt	-	-
Guarantees excluding financial guarantees	-	-
Other money for which the company is contingently liable	-	-
Commitments:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

27 Auditor's remuneration

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
As auditor		
- for statutory audit	225	300
- for taxation matters	175	175
- for company law matters	-	-
- for other services	-	-
Reimbursement of expenses (Including Service tax & GST)	72	86
	472	561

28 Earnings per share (EPS)

(i) Reconciliation of earnings used in calculating earnings per share:

Amount in Rs. Thousands (except share data)

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Profit/ (loss) after taxation as per statement of profit and loss (for basic EPS)	(5,711)	(12,956)
Less: Effect of dilutive potential ordinary shares	-	-
Net profit/ (loss) for diluted earnings per share	(5,711)	(12,956)

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(ii) Reconciliation of basic and diluted shares used in computing earnings per share –

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Number of weighted average equity shares considered for calculation of basic earnings per share	10,000	10,000
Add : Dilutive effect of potential ordinary shares	-	-
Number of weighted average equity shares considered for calculation of diluted earnings per share	**10,000**	**10,000**

(iii) Earnings per share:

		Amount in Rs.
- Basic (Rs.)	(571.16)	(1,295.60)
- Diluted (Rs.)	(571.16)	(1,295.60)

29 Leases

(i) As lessee

The company is obligated under lease for office premises. The lease expenses are not material and accordingly lease payments are considered as expenses for the period based on the terms of the lease. The details of lease rental expenses recognised in the statement of profit and loss for the year is as follows:

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Lease rental expenses recognised in P&L	1,733	2,269
	1,733	2,269

30 Segment information

The company is operating only in financial service sector in India. Thus, there are no reportable segments as defined in Ind AS 108 "Operating Segments". The company earns its entire "revenue from external customers" in India, being company's country of domicile. All non-current assets other than financial instruments and deferred tax assets, are located in India. There are no single major customers on whom the company's revenue is dependent upon and revenue from none of the single customer is more than or equal to 10% of the company's revenues.

31 Balance confirmation

Confirmation of receivables and payable balances have not been received by the Company, hence, reliance is placed on the balances as per books. In the opinion of the management, the amounts are realisable/ payable in the ordinary course of business.

32 Dues to Micro and Small Enterprises

The Company has no dues to Micro and Small Enterprises based on information received and available with the Company.

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33 Related party transactions

A. Enterprises where control exists

Ultimate Holding Company

M/s. Coffeeday Enterprises Limited

Intermediate Holding Company

Tanglin Developments Limited

Holding Company

M/s Way2Wealth Securities Private Limited

B. Key management personnel and their relatives

Manjunatha K M
Anil Kumar K G
Madhugirirajasimha Shashi Bhushan
Ragasudha RB

C.Other related parties with whom transcations taken place during the year

M/s Way2Wealth Commodities Private Limited
M/s.Way2Wealth Brokers Private Limited
M/s.Way2Wealth Capital Private Limited

D. The following is a summary of related party transactions.

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Capital transactions		
Current account limit provided		
M/s Way2Wealth Securities Private Limited	11,481	59,397
Loan received during the year		
M/s Way2Wealth Capital Private Limited	-	5,000
Loan repaid during the year		
M/s Way2Wealth Capital Private Limited	-	5,000
Loan received during the year		
M/s Way2Wealth Employees Welfare	6,000	-
Revenue transactions		
Rent Paid		
M/s Way2Wealth Brokers Private Limited	159	212
Brokerage paid		
M/s Way2Wealth Brokers Private Limited	235	625
M/s Way2Wealth Commodities Private Limited	175	855
Bandwidth charges paid		
M/s Way2Wealth Brokers Private Limited	3,356	9,507
M/s Way2Wealth Commodities Private Limited	3,425	6,320
Interest expense		
M/s Way2Wealth Capital Private Limited	-	196
M/s Way2Wealth Securities Employees Welfare Trust	339	-
Car Hire Charges		
Ragasudha RB	360	210
Interest income		
M/s Way2Wealth Securities Private Limited	404	781

E. The following is a summary of balances receivable from and payable to related parties:

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with other related parties - (Receivable) / Payable:		
M/s.Way2Wealth Brokers Private Limited *	40	(27,098)
M/s.Way2Wealth Commodities Private Limited *	(8,616)	(14,743)
M/s Way2Wealth Securities Private Limited	8,119	(538)
M/s Way2Wealth Securities Employees Welfare Trust	-	-

* The amount includes transactions involved in the course of trading in shares and securities, if any. Such transactions are being entered by respective brokers as an agent with Exchange and hence not disclosed as revenue transactions during the year. However, closing balance includes dues of trading activities.

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F. Compensation of key management personnel of the Company:

Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Short-term employee benefits	-	-
Post-employment benefits *	-	-
	-	-

* The above remuneration excludes gratuity which cannot be separately identified from the composite amount advised by the actuary. Reimbursement of expenses incurred by the Key Managerial Personnel are not considered for the above purpose.

34 Employee benefits

Defined benefit plan

The following table sets out the details of gratuity plan as required under Ind AS 19 'Employee benefits'

Reconciliation of the projected benefit obligations

Amount in Rs. Thousands

Particulars	As at 31 March 2020 Compensated absences	As at 31 March 2020 Gratuity	As at 31 March 2019 Compensated absences	As at 31 March 2019 Gratuity
Change in projected benefit obligation:				
Obligations at the beginning of the year	307	862	255	11,515
Included in profit and loss:				
- Service cost	146	71	135	66
- Interest cost	21	64	19	840
- Actuarial (gains)/ losses	912	-	(102)	-
- Past service Cost	-	-	-	4
Included in other comprehensive income:				
- Remeasurement (gains)/ losses in other comprehensive income:				
- Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-	-	-
- Actuarial (gains)/ losses arising from changes in financial assumptions		148	-	(10)
- Actuarial (gains)/ losses arising from experience adjustments	-	(68)	-	2,367
Benefits paid	(125)	(142)	-	(1,746)
Benefits (settled)/Transferred	-	836	-	(12,174)
Obligations at year end	**1,261**	**1,771**	**307**	**862**
Change in plan assets:				
Plans assets at the beginning of the year, at fair value	-	-	-	-
Changes during the year	-	-	-	-
Plans assets at year end, at fair value	-	-	-	-
Liability recognised in the balance sheet				
- Current	172	105	60	56
- Non-current	1,090	1,666	247	806

Reconciliation of present value of obligation and fair value of plan assets:

Amount in Rs. Thousands

Particulars	As at 31 March 2020 Compensated absences	As at 31 March 2020 Gratuity	As at 31 March 2019 Compensated absences	As at 31 March 2019 Gratuity
Fair value of plan assets.				
Present value of defined benefit obligation at the end of the yı	1,261	1,771	307	862
Liability recognised in the balance sheet	**1,261**	**1,771**	**307**	**862**

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Amount in Rs. Thousands

Particulars	For the Year Ended 31 March 2019 Compensated	For the Year Ended 31 March 2019 Gratuity	For the Year Ended 31 March 2018 Compensated	For the Year Ended 31 March 2018 Gratuity
Cost for the year				
Included in profit and loss.				
- Service cost	146	71	135	66
- Interest cost	21	64	19	840
- Actuarial (gains)/ losses	912		(102)	
- Past service cost	-	-	-	4
Included in other comprehensive income:				
- Remeasurement (gains)/ losses in other comprehensive				
- Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-	-	-
- Actuarial (gains)/ losses arising from changes in financial assumptions	-	148	-	(10)
- Actuarial (gains)/ losses arising from experience	-	(68)	-	2,367
Net gratuity cost	1,079	215	52	3,267
Assumptions				
Interest rate	6.60% p.a	6.60% p.a	7.70% p.a	7.70% p.a
Expected rate of return on plan assets	NA	NA	NA	NA
Salary increase	6% p.a.	6% p.a.	6% p.a.	6% p.a.
Attrition rate	5% p.a.	5% p.a.	5% p.a.	5% p.a.
Mortality table	Indian assured lives (2012-14) Ultimate	Indian assured lives (2012-14) Ultimate	Indian assured lives (2012-14) Ultimate	Indian assured lives (2012-14) Ultimate

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

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

Amount in Rs. Thousands

Particulars	As at 31 March 2020	
	Increase	**Decrease**
Discount rate (+ / - 50 basis points)	1,702	1,847
Future salary growth (+ / - 50 basis points)	1,847	1,701

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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35 Financial instruments - fair value measurement

(a) Accounting classification and fair value

Balance sheet disclosures — Amount in Rs. Thousands

Particulars	As at 31 March 2020 Carrying value	As at 31 March 2020 Fair value	As at 31 March 2019 Carrying value	As at 31 March 2019 Fair value
Financial Assets:				
Fair value through profit and loss:				
- Equity Investments	924	924	-	-
	924	924	-	-
Measured at amortised cost:				
Loans	8,119	*	-	*
Other current financial assets	9,220	*	42,379	*
	17,339		42,379	
Total	18,263		42,379	
Financial Liabilities:				
Measured at amortised cost:				
Other financial liabilities	9,632	*	30,383	*
Total	9,632		30,383	

* The management assessed that that the fair value of cash and cash equivalents, short term loans, short term borrowings, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Statement of profit and loss — Amount in Rs. Thousands

Particulars	Year ended 31st March 2020	Year ended 31 March 2019
Net gains/ (losses) on -		
- Financial assets measured at fair value through profit and loss	16,857	47,905
Interest revenue/ (expense) on -		
- Financial assets measured at amortised cost	408	803
- Financial liabilities measured at amortised cost	(1,157)	(1,213)
Dividend income on -		
- Financial assets measured at fair value through profit and loss	11	-

(b) Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are
a) recognised and measured at fair value
b) measured at amortised cost and for which fair values are disclosed in the financial statements
To provide an indication about the reliability of the inputs used in determining fair value, the management has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

(c) Valuation technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

(d) Valuation processes

The finance department of the company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The department reports directly to the group chief financial officer (CFO).

36 Financial instruments - risk management

The company's activities expose it to market risk, liquidity risk and credit risk.

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The management, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations
Board oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company

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(b) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and investments in debt securities

The carrying amount of financial assets represents the maximum credit exposure

The company's exposure to credit risk is only through the following financial assets -

1. Balance with share brokers - The amount kept with the securities brokers who are regulated by SEBI, is in the nature of margin required for the company's exposure in the securities market as on the reporting date The same will be settled on the settlement date mandatorily by the securities' broker. Therefore, the credit risk invloved is negligent due to the short term nature and regulated by SEBI.

(c) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by the company.

i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted contractual cash flow, and include contractual interest payments and exclude the impact of netting agreements.

Amount in Rs. Thousands

As at 31 March 2020	Carrying amount	Total	Repayable on demand	2 months or less	2–12 months	1–2 years	2–5 years	More than 5 years
Non-derivative financial liabilities								
Other current financial liabilities	9,632	9,632	-	9,632	-	-	-	-
	9,632	9,632	-	9,632	-	-	-	-

Amount in Rs. Thousands

As at 31 March 2019	Carrying amount	Total	Repayable on demand	2 months or less	2–12 months	1–2 years	2–5 years	More than 5 years
Non-derivative financial liabilities								
Other current financial liabilities	30,383	30,383	-	30,383	-	-	-	-
	30,383	30,383	-	30,383	-	-	-	-

(d) Market risk

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

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 has exposure only to financial instruments at fixed interest rates. Hence, the company is not exposed to significant interest rate risk.

ii) Price risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet at fair value through profit or loss.

The majority of the company's equity investments are publicly traded.

Sensitivity analysis – Equity price risk

As at the year end the Company does not hold any equity shares and is therefore not subject to Equity price risk.

Particulars	Impact on profit or loss	Impact on other components of equity	Impact on profit or loss	other components of equity
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
Market price increases by 2%	18	-	-	-
Market price decreases by 2%	(18)	-	-	-

SUNDARESHA & ASSOCIATES
FRN 008012S
Chartered Accountants

37 Capital management

The Company's objective is to maintain an optimal capital structure so as to maximize shareholder value.

Amount in Rs. Thousands

Particulars	As at 31 March 2020	As at 31 March 2019
Current borrowings	-	-
Debt	-	-
As percentage of total capital	0.00%	0.00%
Equity	7,320	13,111
As percentage of total capital	100.00%	100.00%
Total capital (debt and equity)	7,320	13,111

As per our report of even date attached

For SUNDARESHA & ASSOCIATES
Chartered Accountants
Firm Registration No.008012S

SUNDARESHA & ASSOCIATES FRN 008012S Chartered Accountants

CA PRADEEPA CHANDRA C
Partner
Membership No.216133

Bangalore
Date: 31.08.2020

For and on behalf of the Board of Directors of
WAY2WEALTH ENTERPRISES PVT LTD

MANJUNATHA K M
Director
DIN: 05211379

ANIL KUMAR K G
Director
DIN: 03570341