



Zerodha Fund House

No 51, 2nd Floor, Le Parc Richmonde, Richmond Road,
Shantala Nagar, Bengaluru 560025 India

NOTICE

NOTICE is hereby given that the second Annual General Meeting of the Members of M/s. **ZERODHA ASSET MANAGEMENT PRIVATE LIMITED (CIN: U67190KA2021PTC155726)** will be held on the shorter notice, on Monday the 24th of July 2023 at 05:55 P.M through video conferencing deemed at the Registered Office of the Company at INDIQUBE PENTA New No. 51 (Old No.14), Richmond Road, Bangalore - 560 025 Karnataka, India to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the financial year 2023 including Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.**
- 2. To re-appoint Mr. Rajanna Bhuvanesh (DIN: 09434723), who retires by rotation, and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

- 3. To regularise Ms. Nithya Easwaran (DIN: 03605392) as Independent Director of Zerodha Asset Management Private Limited.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the Section 152, 161, 165 and other applicable provisions if any, of the Companies Act, 2013 (including any modification or re-enactment thereof), Nithya Easwaran (DIN: 03605392), who was appointed as an Additional Director of the Company under section 161 (1) of the Companies Act, 2013, by the Board of Directors in the Board Meeting held on 13/12/2022 to hold office up to the date of this Annual General meeting be and is hereby elected and appointed as Independent Director of the Company for the term of 5 years w.e.f. December 13th, 2023 to December 12th, 2027, not liable to retire by rotation.”

Zerodha Asset Management Private Limited

CIN: U67190KA2021PTC155726 **Email:** info@zerodhafundhouse.com **Phone:** +91-80 6960 1101

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4. To regularise Mr. Tushar Mahajan (DIN: 09799589) as an Independent Director of Zerodha Asset Management Private Limited:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the Section 152, 161, 165 and other applicable provisions if any, of the Companies Act, 2013 (including any modification or re-enactment thereof), Mr. Tushar Mahajan (DIN: 09799589), who was appointed as an Additional Director of the Company under section 161 (1) of the Companies Act, 2013, by the Board of Directors in the Board Meeting held on 13/12/2023 to hold office up to the date of this Annual General meeting be and is hereby elected and appointed as Independent Director of the Company, for the term of 5 years w.e.f. 13th December 2023 to 12th December 2027, not liable to retire by rotation.”

5. To approve the Related Party Transactions with M/s. Smallcase Technologies Private Limited:

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 179, 188 of the Companies Act, 2013 read with rules of Companies (Meetings of Board and its Powers) Rules, 2014 and other related provisions of the Companies Act, 2013 including any statutory modification (s) or re-enactment thereof and based upon the recommendations of the Audit Committee and the Board of Directors the consent be and is hereby accorded for the modification in the “Service Agreement” dated September 28, 2022 with M/s. Smallcase Technologies Private Limited by the inclusion of HR and related services and on such terms and conditions as agreed by the parties.

RESOLVED FURTHER THAT Mr. Vishal Jain, Chief Executive Officer of the Company and/or any other officer of the Company duly authorized, be and is hereby authorized severally to sign, seal, deliver & execute all relevant documentation(s)/ agreements(s) and to do all acts, deeds, and things as may be required for entering into said amendment/ modification agreement including finalisation of the value/ costing for availing the services on Arm’s length basis and to present the said agreement before to such authorities/person/entities as may be deemed necessary for registration on behalf of the Company.

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RESOLVED FURTHER THAT the copy of the above resolution duly certified by any of the Directors or Company Secretary of the Company be furnished to the concerned authorities as may be required from time to time in connection with the above matter.”

6. To Approve the investment limit pursuant to section 186 of the Companies Act 2013.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 179(3)(e) and any other applicable provisions of Companies Act, 2013 read with Rules thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the limits envisaged under Section 186 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to the provision of Companies Act, the consent of the Members be and is hereby accorded to invest the surplus fund of the Company up to Rs. 100 Crore, (Rupees One Hundred Crore only) at any time in accordance with the AMC Investment Policy.

RESOLVED FURTHER THAT any Directors or CEO of the Company be and are hereby severally authorised to invest the funds and to do all such act(s), deed(s), matter(s) and thing(s) as may be deemed proper, necessary, or expedient, for the purpose of giving effect to this resolution and for matters connected herewith or incidental thereto.

RESOLVED FURTHER THAT in absence of Director or CEO, the Chief Financial Officer of the Company with the written approval of any one Associate Director be and is hereby authorised to invest the funds and to do all such act(s), deed(s), matter(s) and thing(s) as may be deemed proper, necessary, or expedient, for the purpose of giving effect to this resolution and for matters connected herewith or incidental thereto.

RESOLVED FURTHER THAT any one of the Directors or CEO or Company Secretary of the Company be and is hereby severally authorised to do all such acts for the purpose of issuing certified copy of this resolution and filing the requisite forms with Ministry of Corporate Affairs or submission of the documents with any other authority, for the purpose of giving effect to this resolution and for matters connected herewith or incidental thereto.”

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**By Order of the Board
For Zerodha Asset Management Private Limited**

Sd/-

**Ms. Shikha Singh
Company Secretary
(M. No. 52855)**

**Place: Bangalore
Date: 24/07/2023**

NOTES:

- 1. Any member of a company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting. A proxy need not be a Member of the Company.*
- 2. Pursuant to the provision of section 105 of the Companies Act 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the company member holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as a proxy for any other member. Proxies submitted on behalf of limited companies, societies etc, must be supported by an appropriate resolution/ authority, as applicable.*
- 3. A proxy shall not be entitled to vote except on a poll.*
- 4. The instrument appointing the proxy shall be deposited not later than forty-eight hours before the time fixed for holding the meeting. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or, if the appointer is a Body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.*

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5. *The instrument appointing a proxy shall be in writing and be sign by member or his authorized attorney or signed by an officer or his authorized attorney under seal in case of body corporate.*
6. *Every member entitled to vote at a meeting of the company, or any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three day's notice in writing of the intention so to inspect is given to the company.*
7. *Relevant Registers and documents as mentioned in the above Notice shall be open for Inspection at the Registered Office of the Company from 9 a.m. to 11 a.m. on any working day and also at the venue of AGM on AGM date till the commencement of the AGM.*
8. *The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) is not applicable as there is no any special business to transact during the year.*
9. *Route Map, as per Secretarial Standard 2 since all the shareholders are on board the requirement to attach a Route Map is not applicable.*

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DIRECTORS' REPORT

To,

The Members,

Your directors have the pleasure in presenting the Second Annual Report of the Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended March 31, 2023.

1. FINANCIAL SUMMARY OF THE COMPANY (STANDALONE)

The financial performance of your company for the financial year ended March 31, 2023 is summarized as below:

Particulars	STANDALONE 31/03/2023	STANDALONE 31/03/2022
Revenue from Operations	0.00	0.00
Other Income	1,89,08,000.00	9,000.00
Profit /loss before Tax Expense	(3,82,80,000.00)	(1,61,53,000.00)
Add/(less): Exceptional items	0.00	0.00
Profit /loss before Tax Expense	(3,82,80,000.00)	(1,61,53,000.00)
Less: Tax Expense (Current & Deferred)	(97,98,000.00)	(42,00,000.00)
Profit /loss for the year	(2,84,82,000.00)	(1,19,53,000.00)
Less: Appropriations	0.00	0.00
Balance carried forward	(2,84,82,000.00)	(1,19,53,000.00)

Your company does not have any subsidiary or an associate company or a joint venture company during the year under review.

2. OPERATIONS AND BUSINESS PERFORMANCE

Your Company was incorporated on December 20, 2021 to act as the investment manager for the schemes of Zerodha Mutual Fund.

The in-principle for Zerodha Mutual Fund was granted by the Securities and Exchange Board of India (SEBI) on September 01, 2021, and the final approval is expected in the second quarter of the financial year 2023-24. In view of the same, your company is yet to commence its operations.

The total loss attributable to the shareholders for FY 2022-23 and FY 2021-22 was Rs. 2,84,82,000 and Rs. 1,19,53,000 respectively.

3. DIVIDEND

As the company has not commenced its operations, there is no profit being generated hence, no dividend has been recommended for the financial year under review.

4. TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there is no unpaid /unclaimed dividend.

5. TRANSFER TO RESERVE

The loss of Rs. 2,84,82,000 has been transferred to the General Reserve and Surplus Account during the financial year under review.



6. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business during the financial year under review.

7. MATERIAL CHANGES AND COMMITMENT

There have been no material changes and commitments, which affect the financial position of the Company which occurred from the date of incorporation till the end of the financial year under review i.e., March 31, 2023, to which the financial statements relate and also till the date of this report.

8. SHARE CAPITAL

Capital of the Company

During the year under the review, the Authorised Share Capital of the Company is Rs. 1,00,00,00,000/- divided into 10,00,00,000 Equity Shares of the face value of Rs. 10/- each. The paid-up Capital is Rs. 55,00,00,000/- divided into 5,50,00,000 Equity Shares of the face value of Rs. 10/- each. After the closing of the Financial year Company raised the capital through right issue which resulted into the Paid up capital of Rs. 78,57,00,000/- Divided into 7,85,70,000 Equity Shares of Rs. 10/- each.

Further Issue of Share Capital

During the year under review, your company did not make any fresh allotment. After the closer of Financial year Company raised the capital through right issue of Rs. 23,57,00,000/-

Issue of equity shares with differential rights/ Buy Back Of Securities/ Issue of sweat equity shares/ Bonus Shares/ Employee Stock Option Scheme/ Provision of money by the company for the purchase of its own shares by employees or by trustees for the benefit of employees

Nil during the period under review.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / cessation / Change in Designation

(a) Directors

During the period under review, Mr. Nithin Kamath Resigned from the Designation of Director on December 13, 2022, and Ms. Nithya Easwaran and Mr. Tushar Mahajan joined the Board as Independent Directors on December 13, 2022.

(b) Key Managerial Personnel (KMP)

During the period under review, Mr. Vishal Jain was appointed as CEO of the Company, and Ms. Shikha Singh was appointed as Company Secretary of the Company (who is also the Company Secretary of the holding company i.e. Zerodha Broking Limited) with effect from June 01, 2022. Further, Mr. Chintan Bhatt was appointed as a CFO with effect from March 24, 2023.

(c) Re-appointment

During the period under review, Mr. Bhuvanesh Rajanna was redesignated as Non- Executive Director.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajanna Bhuvanesh Director of the company is retiring by rotation and being eligible for re-appointment, has offered himself for re-appointment.

10. MEETINGS

Board Meetings

Seven Board Meetings were held during the Financial Year ended March 31, 2023. (i.e. on 30/05/2022, 02/09/2022, 01/11/2022, 13/12/2022, 13/12/2022, 01/03/2023, 24/03/2023). The maximum gap between any two board meetings was less than one hundred and twenty days.



The names of the board of directors and their attendance at the Board Meetings are as under.

Name of Directors	Number of meetings attended / Total Meetings Held during the year FY 2022-23
Mr. Nithin Kamath (Resigned w.e.f. December 13, 2022)	5/7
Mr. Rajanna Bhuvanesh	7/7
Ms. Nithya Eashwaran	1/7
Mr. Tushar Mahajan	2/7

11. ANNUAL RETURN

In accordance with Section 134 (3) (a) of the Companies Act, 2013, the Company is maintaining a website where the Annual Return will be placed as required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

12. AUDIT COMMITTEE AND NOMINATION, REMUNERATION COMMITTEE

Not applicable for the period under review.

13. RISK MANAGEMENT POLICY

The Company is in the process of developing and implementing a robust risk management policy that identifies major risks faced by the Company to achieve the business objectives. The Risk management framework will monitor the firm-wide governance, risk and compliance. The Risk Management Policy intends to provide safeguards against material misstatements or loss, as well as the safeguarding of assets, maintenance of proper accounting records, the reliability of financial information, and the identification and

management of business risks if faced by the Company.

14. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT

As per the provision of the Companies Act 2013 and other applicable laws, M/s Walker Chandiook & Co LLP (Chartered Accountants) (FRN: 001076N/N500013) were appointed as First Statutory Auditors of your Company to hold office up to the conclusion of the Sixth Annual General Meeting.

15. REPORTING OF FRAUDS BY AUDITORS

During the period under the review, the Statutory Auditor has not reported any instances of fraud committed in the Company by its officers or employees to the Board under Section 143 (12) of the Companies Act, 2013, details of which need to be mentioned in this report.

16. BOARD COMMENT ON THE AUDITOR REPORT

Your directors confirm that the Statutory Auditor's Report for the Financial Year 2022-23 does not contain any qualifications, reservations, disclaimers, or adverse remarks.

The observation of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies, are self-explanatory and do not call for any further comments/ explanations.

17. INFORMATION ABOUT SUBSIDIARIES / JOINT VENTURES / ASSOCIATE

Your company does not hold any Subsidiary Company within the meaning of Section 2(87) and there are no joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 during the period under review.

18. MAINTAINING OF COST RECORDS

Not Applicable.



19. SECRETARIAL AUDITORS AND SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed M/s. AKG & Co., Company Secretaries to undertake the Secretarial Audit. The Secretarial Audit Report is attached and forms an integral part of this report.

20. PUBLIC DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.

21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the period of observation, No Significant and material order has been passed by the regulators, courts, or tribunals impacting the going concern status and the Company's operations in the future.

22. INTERNAL FINANCIAL CONTROL

Pursuant to Rule 8 (5) of the Companies (Accountant Rules, 2014, based on the representation received and after the due inquiry, your Directors confirm that they have laid down internal financial controls with reference to the Financial Statements and these controls are adequate.

23. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186

During the financial year under the review, the company has not granted any loan or given any guarantee or security under the provisions of Section 186 of the Companies Act, 2013.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188

All related party transactions entered into during the period under report were on the Arm's Length Basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

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

Conservation of Energy & Technology Absorption

Your Company is in the financial services industry and does not consume high levels of energy. However, regular efforts are made to adopt appropriate energy conservation measures and technology absorption methods.

Foreign Exchange Earnings and Outgo

The Foreign Exchange earnings and outgo during the period ended March 31, 2023, are as follows:

Foreign Exchange Earnings	NIL
Foreign Exchange Outgo	NIL

26. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has adopted an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of the women at workplace Prevention, Prohibition and Redressal Act, 2013. The Internal Complaints Committee (ICC) shall



also be to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received under the said Act.

27. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that: -

- A. In preparation of the Annual Accounts for the financial year ended March 31, 2023, the applicable Accounting Standards have been followed along with a proper explanation to material departures.
- B. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2023, and of the profit or loss of the Company, for that period.
- C. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D. The Directors have prepared the Annual Accounts on a going concern basis.
- E. The Company being unlisted, sub clause (e) of Section 134 (3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable.
- F. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, for the financial year 2022-23, the annual performance evaluation was carried out which included an evaluation of the Board, executive directors, Quality and timeliness of information to the Board.

29. COMPLIANCE WITH SECRETARIAL STANDARDS

During the Financial Year 2022-23, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

30. PARTICULARS OF EMPLOYEES' REMUNERATIONS

The statement containing particulars of employees as required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. Any member interested in obtaining a copy of this Annexure may write to the Company Secretary at secretarial@zerodhafundhouse.com.

31. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

NIL

32. THE DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

NIL

33. ACKNOWLEDGEMENTS

The Directors take this opportunity to thank its investors, shareholders, trustee company, bankers, and other service providers for their continued support. The Directors would like to convey their gratitude to Zerodha Broking Limited, the holding company and look forward to their continued support.



The Directors acknowledge the valuable assistance, support and guidance given by the Securities and Exchange Board of India (SEBI).

The Directors wish to place on record their appreciation to employees at all levels for their dedication and commitment.

**For and on behalf of the Board of Directors
ZERODHA ASSET MANAGEMENT PRIVATE LIMITED**

Sd/-

**Mr. Rajanna Bhuvanesh
DIN: 09434723
Director**

**Place: Bangalore
Date: 24/07/2023**

Sd/-

**Mr. Tushar Mahajan
DIN: 09799589
Director**

**Place: Mumbai
Date: 24/07/2023**



Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Members of Zerodha Asset Management Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Zerodha Asset Management Private Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 financial statements.



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls system with reference to financial statements and the operating effectiveness of such controls
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. 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.
11. 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

12. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

14. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of the Company, are not applicable; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2023;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv. a. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, as disclosed in note 17 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

- b. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, as disclosed in note 18 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 01 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013



Sudhir N. Pillai
Partner
Membership No:105782

UDIN:23105782BGXTDP8592

Place: Mumbai
Date: 24 July 2023

Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Zerodha Asset Management Private Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any tangible inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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 statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable to the Company .
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.



Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

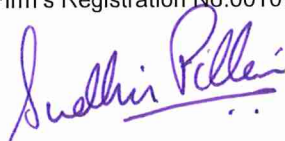


Zerodha Asset Management Private Limited
Independent Auditor's Report on the Audit of the Financial Statements

Annexure I (Contd)

- (xvii) The Company has incurred cash losses in the current and immediately preceding financial years amounting to ₹35,237,198 and ₹16,012,575 respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013



Sudhir N. Pillai
Partner
Membership No:105782

UDIN:23105782BGXTDP8592

Place: Mumbai
Date: 24 July 2023

Zerodha Asset Management Private Limited
Balance sheet as at 31 March 2023
(All amount in ₹'000, unless stated otherwise)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant & equipment	3	2,828	-
Right of use asset	5	12,166	15,410
Intangible asset	4	3,696	-
Financial assets			
Other financial assets	6	573	533
Deferred tax assets	7	13,998	4,200
Total non-current assets		33,261	20,143
Current assets			
Financial assets			
Other financial assets	8	449,100	-
Cash and cash equivalents	9	31,538	-
Other current assets	10	10,440	-
Total current assets		491,078	-
Total assets		524,339	20,143
Equity and liabilities			
Equity			
Equity share capital	15	550,000	-
Other equity	16	(40,435)	(11,953)
Total equity		509,565	(11,953)
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	11A	10,099	12,913
Provisions	12A	676	-
Total non current liabilities		10,775	12,913
Current liabilities			
Financial liabilities			
Lease liabilities	11B	2,814	2,420
Other financial liabilities	13	851	16,025
Other current liabilities	14	332	737
Provisions	12B	2	-
Total current liabilities		3,999	19,183
Total liabilities		14,774	32,096
Total liabilities and equity		524,339	20,143

Summary of significant accounting policies 2

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 24 July 2023



For and on behalf of the Board of Directors
Zerodha Asset Management Private Limited

Tushar Mahajan
Director
DIN: 09799589

Place: Mumbai
Date: 24 July 2023

Vishal Virender Jain
Chief Executive Officer

Place: Bengaluru
Date: 24 July 2023

Rajanna Bhuvanesh
Director
DIN: 09434723

Place: Bengaluru
Date: 24 July 2023

Chintan Vasantlal Bhatt
Chief Financial Officer

Place: Bengaluru
Date: 24 July 2023

Shikha Singh
Company Secretary

Place: Bengaluru
Date: 24 July 2023



Shikha Singh

Zerodha Asset Management Private Limited
Statement of profit and loss for the year ended 31 March 2023
(All amount in ₹'000, unless stated otherwise)

	Notes	For the year ended 31 March 2023	For the period 20 December 2021 to 31 March 2022
Income			
Revenue from operations		-	-
Other income	17	18,908	9
Total income		18,908	9
Expenses			
Employee benefit expenses	18	31,197	-
Finance cost	19	1,027	187
Depreciation and amortization expense	20	5,503	811
Other expenses	21	19,461	15,164
Total expenses		57,188	16,162
Loss before tax		(38,280)	(16,153)
Tax expenses			
Current tax	22	-	-
Deferred tax		(9,798)	(4,200)
Total tax expense		(9,798)	(4,200)
Loss for the period		(28,482)	(11,953)
Other comprehensive income		-	-
Total comprehensive loss for the period		(28,482)	(11,953)
Earnings per share			
Basic and diluted (in ₹)	26	(0.52)	(0.22)

Summary of significant accounting policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Walker ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 24 July 2023



For and on behalf of the Board of Directors
Zerodha Asset Management Private Limited

Tushar Mahajan

Tushar Mahajan
Director
DIN: 09799589

Place: Mumbai
Date: 24 July 2023

Vishal Virender Jain
Chief Executive Officer

Place: Bengaluru
Date: 24 July 2023

Rajanna Bhuvanesh

Rajanna Bhuvanesh
Director
DIN: 09434723

Place: Bengaluru
Date: 24 July 2023

Chintan Vasantlal Bhatt
Chief Financial Officer

Place: Bengaluru
Date: 24 July 2023



Shikha Singh

Shikha Singh
Company Secretary

Place: Bengaluru
Date: 24 July 2023

Zerodha Asset Management Private Limited
Cash flow statement for the year ended 31 March 2023
(All amount in ₹'000, unless stated otherwise)

	For the year ended 31 March 2023	For the period 20 December 2021 to 31 March 2022
A Cash flow from operating activities		
Loss before tax	(38,280)	(16,153)
Adjustments for:		
Depreciation and amortization expense	5,503	811
Finance income on security deposit recognised at amortised cost	(40)	(9)
Interest on lease liability	1,027	187
Interest income on fixed deposit	(18,868)	-
Operating loss before working capital changes	(50,658)	(15,164)
Movements in working capital:		
Increase in other current assets	(10,440)	(750)
Increase in financial assets	(449,100)	-
(Decrease)/increase in financial liabilities	(15,175)	15,914
Decrease in other liabilities	(403)	-
Increase in provisions	676	-
Net cash used in operating activities (A)	(525,100)	-
Income taxes paid	-	-
Net cash used in operating activities	(525,100)	-
B Net cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(8,782)	-
Interest received on deposits with banks	18,868	-
Net cash (used in) investment activities (B)	10,084	-
C Net cash flows from financing activities		
Payment of lease liability	(3,446)	-
Share capital arrears received	550,000	-
Net cash generated from financing activities (C)	546,554	-
D Net increase in cash and cash equivalents (A+B+C)		
Cash and cash equivalents at the beginning of the year	31,538	-
Cash and cash equivalents at the end of the year	31,538	-
Components of cash & cash equivalents (refer note 9)		
Balances with banks - in current account	31,538	-
	31,538	-

As per our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 24 July 2023



For and on behalf of the Board of Directors
Zerodha Asset Management Private Limited

Tushar Mahajan
Director
DIN: 09799589

Place: Mumbai
Date: 24 July 2023

Vishal Virender Jain
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Place: Bengaluru
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Place: Bengaluru
Date: 24 July 2023

Chintan Vasantlal Bhatt
Chief Financial Officer

Place: Bengaluru
Date: 24 July 2023



Shikha Singh
Company Secretary

Place: Bengaluru
Date: 24 July 2023

Zerodha Asset Management Private Limited
Statement of changes in equity for the period ended 31 March 2023
 (All amount in ₹'000, unless stated otherwise)

A Equity share capital

Particulars	For the year ended 31 March 2023		For the period 20 December 2021 to 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
As at the beginning of the year	55,000,000	550,000	-	-
Add: Issue in equity share capital during the year	-	-	55,000,000	550,000
Less: Calls in arrears	-	-	(55,000,000)	(550,000)
Closing at the end of the year	55,000,000	550,000	-	-

B Other equity

Particulars	For the year ended 31 March 2023		For the period 20 December 2021 to 31 March 2022	
	Retained earnings	Total	Retained earnings	Total
Balance at the beginning of the year	(11,953)	(11,953)	-	-
Loss for the year	(28,482)	(28,482)	(11,953)	(11,953)
Balance as at end of the year	(40,435)	(40,435)	(11,953)	(11,953)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

Sudhir N. Pillai

Sudhir N. Pillai
 Partner
 Membership No.: 105782

Place: Mumbai
 Date: 24 July 2023



For and on behalf of the Board of Directors
 Zerodha Asset Management Private Limited

Tushar Mahajan *Rajanna Bhuvanesh*

Tushar Mahajan
 Director
 DIN: 09799589

Rajanna Bhuvanesh
 Director
 DIN: 09434723

Place: Mumbai
 Date: 24 July 2023

Place: Bengaluru
 Date: 24 July 2023

Vishal Jain

Vishal Virender Jain
 Chief Executive Officer

Place: Bengaluru
 Date: 24 July 2023

Chintan Vasantlal Bhatt

Chintan Vasantlal Bhatt
 Chief Financial Officer

Place: Bengaluru
 Date: 24 July 2023



Shikha Singh

Shikha Singh
 Company Secretary

Place: Bengaluru
 Date: 24 July 2023

Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

1 Background

Zerodha Asset Management Private Limited ("the Company") is a Private Limited Company domiciled in India (CIN: U67190KA2021PTC155726) and its registered office is situated at INDIQUBE PENTA New No. 51 (Old No.14), Richmond Road, Bangalore- 560025. The Company was incorporated under the Companies Act, 2013 on 20 December 2021 and is a wholly owned subsidiary of Zerodha Broking Limited ("the sponsor or holding company"). Zerodha Broking Limited made an application to the Securities and Exchange Board of India ("SEBI") for registration of the proposed Mutual Fund ("Zerodha Mutual Fund") on 5 February 2020, and the in-principle approval was granted by SEBI on 1 September 2021. The final approval is expected in the financial year 2023-24. The Company has been incorporated to act as Asset Management Company for the schemes of Zerodha Mutual Fund.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount. The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. The Company's financial statements are presented in Indian Rupees (₹), which is its functional currency.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been approved by the Board of Directors in the meeting held on July 24, 2023.

2.2 Overall considerations of Ind AS

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in the financial statements. The financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

2.3 Summary of Significant accounting policies

a Revenue recognition

Ind AS 115, 'Revenue from Contract with Customers' establishes a five-step model for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, Revenues from customer contracts are considered for recognition and measurement when the contract have been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is recognised through a five-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

Investment Management service

The Company has been appointed as the investment manager to the schemes of the Zerodha Mutual Fund (final approval is pending from SEBI). The Company will be receiving investment management fees from the Zerodha mutual fund which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations. The contract includes a single performance obligation (series of distinct services) that is satisfied over time and the investment management fees earned are considered as variable consideration.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income

Dividend income is recognised in statement of profit and loss when the right to receive the dividend is established.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

b Property, plant and equipment's

Fixed assets - tangibles

Recognition and initial measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprise its purchase price, including import duties and non refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repairs and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation

Depreciation is provided on Straight Line Method in accordance with the useful life of assets estimated by the management, which is the rate prescribed under schedule II to the Companies Act, 2013.

Useful life of assets

Asset type	Useful life (in years)
Computers & Peripherals	3
Plant & Equipment	3
Furniture & Fixture	10
Electrical Installations	10
Leasehold Premises	3
Software licenses	2 or 5

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

c Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The Company applies the short-term lease recognition exemption to its short-term leases. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

d Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and cost can be measured reliably. Gains or losses arising from derecognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

e Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. 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 and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

f Financials Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks, which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within the business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments - for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivables. The Company calculates the expected credit losses on trade receivables, using a provision matrix on the basis of its historical credit loss experience.

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, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition of Financial Assets

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

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss.

Offsetting

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

De-recognition of Financial Liabilities

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Derivative Financial Instruments

The Company may enter into foreign exchange forward contracts to mitigate the foreign currency exposure risk. Derivatives are to be initially recognised at fair value at the date the derivative contracts are entered and will be subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss will be recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss will depend on the nature of the hedge relationship.

Equity Investments

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends and on an equity instrument measured at FVOCI, are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

g Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

h Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised in Other Comprehensive Income or Equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

Deferred tax

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and the carry forward of 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 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.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. 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 tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Current and deferred taxes are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned 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 recognizes MAT credit as an asset, it is created by way of credit to the Statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

i Cash and bank balances

Cash and bank balances comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of investment of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

j Earning per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

k Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

l Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency's closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

m Employee benefits:

Post-employment, long term and short term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurements of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

Other long-term employee benefits

Long term compensated absences are provided for based on actuarial valuation at year end. The actuarial valuation is done as per projected unit credit method. The Company presents the compensated absences as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

n Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on a DCF model. The impairment loss is recognised if the recoverable amount of the CGU is higher than its value in use or fair value less cost to sell. Impairment losses are immediately recognised in the Statement of Profit and Loss.

o Fair value measurements and hierarchy

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying amounts of trade receivables, trade payables, payables towards capital goods, other Bank Balances and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

p Rounding off amounts

All amounts disclosed in the financial statement and notes to accounts have been rounded off to the nearest thousands as per the requirement of Schedule III, unless otherwise stated.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amount in ₹'000, unless stated otherwise)

3 Property, plant & equipment

Particulars	Electrical Installations	Computers & Peripherals	Furniture & Fittings	Improvements to Leasehold Premises	Plant & Equipment	Total
Balance as at 1 April 2022	-	-	-	-	-	-
Additions	232	3,551	223	99	284	4,389
Deletions	-	-	-	-	-	-
Balance as at 31 March 2023	232	3,551	223	99	284	4,389
Accumulated depreciation						
Balance as at 1 April 2022	-	-	-	-	-	-
Charge for the year	31	1,366	32	47	85	1,561
Balance as at 31st March, 2023	31	1,366	32	47	85	1,561
Net block as at 31 March 2023	201	2,185	191	52	199	2,828

4 Intangible assets

Particulars	Licenses	Total
Balance as at 1 April 2022	-	-
Additions	4,394	4,394
Deletions	-	-
	4,394	4,394
Accumulated Amortization		
Balance as at 1 April 2022	-	-
Charge for the year	698	698
Balance as at 31 March 2023	698	698
Net block as at 31 March 2023	3,696	3,696



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Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amount in ₹'000, unless stated otherwise)

5 Right of use assets

Impact of adoption of Ind AS 116

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, as the contract conveys the right to control the use of an identified asset.

Following are the changes in the carrying value of right of use assets :

	As at 31 March 2023	As at 31 March 2022
Opening balance as on	15,410	-
Add: Additions for the year/period	-	16,221
Less: Depreciation thereon	(3,244)	(811)
Closing balance as on	<u>12,166</u>	<u>15,410</u>
6 Other financial assets - non current		
Security deposit	573	533
	<u>573</u>	<u>533</u>
7 Deferred tax assets		
Impact of right of use asset and lease liabilities	240	36
Depreciation	(75)	-
Caryforward losses	13,833	4,164
	<u>13,998</u>	<u>4,200</u>

Movement in deferred tax asset for the period ended 31 March 2022:

	As at 20 December 2021	Recognised in statement of profit or loss	As at 31 March 2022
Impact of right of use asset and lease liabilities	-	36	36
Caryforward losses	-	4,164	4,164
		<u>4,200</u>	<u>4,200</u>

Movement in deferred tax asset for the period ended 31 March 2023:

	As at 01 April 2022	Recognised in statement of profit or loss	As at 31 March 2023
Impact of right of use asset and lease liabilities	36	204	240
Depreciation	-	(75)	(75)
Caryforward losses	4,164	9,669	13,833
	<u>4,200</u>	<u>9,798</u>	<u>13,998</u>

8 Other financial assets

Deposits with maturity of more than 3 months and less than 12 months

449,100	-
<u>449,100</u>	<u>-</u>

9 Cash & Cash equivalents

Balances with banks - in current account

31,538	-
<u>31,538</u>	<u>-</u>



Zerodha Asset Management Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

(All amount in ₹'000, unless stated otherwise)

	As at 31 March 2023	As at 31 March 2022
10 Other Current asset		
TDS receivable	1,887	-
Goods and service tax receivable	5,090	-
Accrued interest	2,882	-
Prepaid expenses	581	-
	10,440	-
11A Lease liabilities - non current		
Lease liabilities (refer note 33)	12,913	15,333
Less: Current maturities of lease liabilities (refer note 11B below)	2,814	2,420
Total	10,099	12,913
11B Lease liabilities - current		
Current maturities of lease liabilities (refer note 33)	2,814	2,420
Total	2,814	2,420
Short term lease and leases of low value asset		
The company has elected not to recognise right of use asset and lease liabilities for short term leases of premises that have lease term of 12 months or less and leases of low value assets. The company recognises the lease payment associated with these leases as an expense on straight line basis over the lease term.		
12A Provisions - non current		
Provision for employee benefits:		
Provision for gratuity (refer note 27)	676	-
	676	-
12B Provisions - current		
Provision for employee benefits:		
Provision for gratuity (refer note 27)	2	-
	2	-
13 Other financial liabilities		
Accrued expenses	851	16,025
	851	16,025
14 Other current liabilities		
Payable to statutory authorities	332	737
	332	737



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Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amount in ₹'000, unless stated otherwise)

15 Equity share capital	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<u>Authorised</u>				
Equity shares of ₹ 10 each	100,000,000	1,000,000	100,000,000	1,000,000
<u>Issued and subscribed, but not paid up</u>				
Equity shares of ₹ 10 each	55,000,000	550,000	55,000,000	550,000
Less: Calls in arrears	-	-	(55,000,000)	(550,000)
Total	55,000,000	550,000	-	-

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

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Balance at the beginning of the year	55,000,000	550,000	-	-
Add: Equity shares issued during the period	-	-	55,000,000	550,000
Balance at the end of the year	55,000,000	550,000	55,000,000	550,000

b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity share having face value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by board of directors is subject to approval by shareholders in ensuing annual general meeting, except in case of interim dividend. In the event of liquidation of the company, the holder of equity share will be entitled to receive remaining asset of company, after distribution of all preferential amount, in proportion to number of shares held by shareholders.

c) Details of shares held by the Holding Company

Name of Holding Company	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Zerodha Broking Limited	54,999,999	550,000	54,999,999	550,000
Total	54,999,999	550,000	54,999,999	550,000

d) Particulars of shareholders holding more than 5 percent shares in the Company

Name of shareholder	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Zerodha Broking Limited	54,999,999	100%	54,999,999	100%
Total	54,999,999	100%	54,999,999	100%

e) The company does not have any promoter holding as on 31 March 2023 and 31 March 2022.

e) The Company has not issued any bonus shares or any shares for consideration other than cash and has not bought back any shares during the years ended 31 March 2023 and 31 March 2022.

16 Other equity	As at 31 March 2023		As at 31 March 2022	
	Retained Earnings	Total	Retained Earnings	Total
Balance at the beginning of the year	(11,953)	(11,953)	-	-
Total comprehensive income	(28,482)	(28,482)	(11,953)	(11,953)
Balance at the end of the year	(40,435)	(40,435)	(11,953)	(11,953)

Retained Earnings

All the profit or losses made by the company are transferred to retained earnings from statement of profit and loss.

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Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amount in ₹'000, unless stated otherwise)

	For the year ended 31 March 2023	For the period 20 December 2021 to 31 March 2022
17 Other income		
Interest income from :		
Finance income on security deposit recognised at amortised cost	40	9
Interest income on fixed deposit	18,868	-
	18,908	9
18 Employee benefit expenses		
Salaries and wages	30,520	-
Gratuity (refer note 27)	677	-
	31,197	-
19 Finance cost		
Interest on lease liability	1,027	187
	1,027	187
20 Depreciation and amortization expense		
Depreciation on right of use assets	3,244	811
Depreciation on property, plant & equipment	1,561	-
Depreciation on intangible assets	698	-
	5,503	811
21 Other expenses		
Registration expenses	216	8,640
Legal and professional fees	6,963	5,842
Auditor's remuneration*	500	500
Maintenance charges	664	104
Electricity charges	489	77
Printing and stationery	-	1
Connectivity expenses	1,436	-
Finance costs	1,260	-
Hosting and IT services	7,703	-
Director sitting fees	100	-
Travel and conveyance expenses	34	0.20
Miscellaneous expenses	96	-
	19,461	15,164
* Auditor's remuneration (excluding taxes and out of pocket expenses)		
Statutory audit *	500	500
	500	500
22 Income tax		
Amounts recognised in statement of profit and loss		
Current tax	-	-
Deferred tax	(9,798)	(4,200)
Tax expense for the year	(9,798)	(4,200)
The major component of income tax expenses and reconciliation of expected tax expenses based on the domestic effective tax rate of the company at 26% and the reported tax expense in the statement of profit and loss is as follows :		
Profit before tax	(38,280)	(16,153)
Enacted income tax rate in India	26%	26%
Computed expected tax expense	(9,798)	(4,200)
Income tax expense reported in profit and loss account	-	-



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Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023

(All amount in ₹'000, unless stated otherwise)

23 Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

A. Names of related party where control exists

Name of the related party	Nature of relationship
---------------------------	------------------------

a) Parties where control exists

Zerodha Broking Limited	Holding Company
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b) Key Management Personnel (KMP) and relative of KMP

Mr. Rajanna Bhuvanesh	Director
Ms. Nithya Easwaran	Director
Mr. Tushar Mahajan	Director
Mr. Vishal Virender Jain	Chief Executive Officer
Mr. Chintan Vasantlal Bhatt	Chief Financial Officer
Ms. Shikha Singh	Company Secretary

c) Name and relationship of related parties where transaction has taken place

Zerodha Broking Limited	Holding Company
Ms. Nithya Easwaran	Director
Mr. Tushar Mahajan	Director
Mr. Vishal Virender Jain	Chief Executive Officer
Mr. Chintan Vasantlal Bhatt	Chief Financial Officer
Ms. Shikha Singh	Company Secretary

B. Transactions with related parties carried out in the ordinary course of business:

Nature of transaction	Relationship	For the year ended 31 March 2023	For the period 20 December 2021 to 31 March 2022
Reimbursement of expenses			
Zerodha Broking Limited	Holding Company	659	10,083
Vishal Virendra Jain	Chief Executive Officer	5	-
Shikha Singh	Company Secretary	53	-
Sitting Fee			
Nitya Easwaran	Director	50	-
Tushar Mahajan	Director	50	-
Salary/ Remuneration			
Vishal Virendra Jain	Chief Executive Officer	9,978	-
Chintan Vasantlal Bhatt	Chief Financial Officer	248	-

C. Balances as at the year end

Nature of transaction	Relationship	As at 31 March 2023	As at 31 March 2022
Trade payables and accrued expenses			
Tushar Mahajan	Director	45	-
Vishal Virendra Jain	Chief Executive Officer	0.86	-
Zerodha Broking Limited	Holding Company	-	10,083

24 During the year ended 31 March 2023, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

25 During the year ended 31 March 2023, the Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

26 Earning per share

	For the year ended 31 March 2023	For the period 20 December 2021 to 31 March 2022
Net loss after tax attributable to existing equity shareholders	(28,482)	(11,953)
No. of equity shares	55,000,000	55,000,000
Basic and diluted earnings/ (loss) per equity share (₹)	(0.52)	(0.22)
Nominal value per equity share (₹)	10	10



Zerodha Asset Management Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
 (All amount in ₹'000, unless stated otherwise)

27 Employee benefits obligations

Gratuity

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.

Movement in the liability recognized in the balance sheet is as under:

Particulars	As at	As at
	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	-	-
Current service cost	677	-
Present value of defined benefit obligation at the end of the year	677	-

Amounts recognized in the balance sheet

Particulars

Present value of the obligation at end:

Unfunded liability/provision in balance sheet	677	-
---	-----	---

Bifurcation of present value of obligation at the end of the year

Particulars

Current liability	1.88	-
Non-current liability	676	-
Total	677	-

Expenses recognized in statement of profit and loss

Particulars

Current service cost	677	-
Interest cost	-	-
Expenses recognized in statement of profit and loss	677	-

For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	As at	As at
	31 March 2023	31 March 2022
Discount rate	7.52%	-
Salary escalation rate	7%	-
Withdrawal rate	1%	-
Retirement age (years)	60	-
Average remaining working life	24	-

Maturity profile of defined benefit obligation

Particulars

Particulars	As at	As at
	31 March 2023	31 March 2022
Year 1	2	-
Year 2	2	-
Year 3	2	-
Year 4	3	-
Year 5	13	-
Year 6 to 10	80	-
Year 11 and above	2,814	-
	2,916	-



Zerodha Asset Management Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
 (All amount in ₹'000, unless stated otherwise)

Sensitivity analysis for gratuity

Particulars	As at	As at
	31 March 2023	31 March 2022
a) Impact of the change in discount rate		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	579	-
Impact due to decrease of 1 %	799	-
b) Impact of the change in withdrawal rate		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	655	-
Impact due to decrease of 1 %	700	-
b) Impact of the change in salary increase		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	799	-
Impact due to decrease of 1 %	578	-

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated above.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Risk

	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:
Actuarial Risk:	Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.
Investment Risk:	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate:	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability:	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals:	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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28 Fair value measurement

28.1 Valuation techniques used to determine fair value

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

The fair value of the financial assets and liabilities is 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 were used to estimate the fair values:-

- Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Borrowings, taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

- The fair value of investment in mutual funds is measured at quoted price or net asset value (NAV).

There are no transfer between levels during the year.

28.2 Fair value of assets and liabilities which are measurable at amortised cost for which fair value are disclosed

Particulars	As at 31 March 2023		As at 31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
At Amortised cost				
Other financial assets	573	573	533	533
Financial liabilities				
At Amortised cost				
Other financial liabilities	851	851	16,025	16,025
Lease liability	12,913	12,913	15,333	15,333

29 Financial risk management

Risk management

The Company's activities upon receiving final approval from SEBI for mutual fund business will expose it to the liquidity and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

29.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The management also considers the factors that may influence the credit risk of its customer base, including the default risk etc. The carrying amounts of financial assets represent the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company monitors its exposure to credit risk on an ongoing basis.

The Company closely monitors the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables.

29.2 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 Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The Company takes into account the liquidity of the market in which the entity operates.

29.3 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company has not hedged its foreign exchange receivables and payables as at 31 March 2023.

(ii) Interest rate risk

interest rate risk arises from the Company's borrowing to interest rate changes. The Company does not have borrowings as at 31 March 2023.



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

30 Capital management

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To maintain optimum capital structure and to reduce cost of capital

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is not subject to externally imposed capital requirements. The Company manages its capital requirements by overseeing the gearing ratio.

31 Maturity analysis of assets and liabilities

Particulars	As at 31 March 2023		
	Total	Within 12 months	After 12 months
Non-current assets			
Property, plant & equipment	2,828	-	2,828
Right of use asset	12,166	-	12,166
Intangible asset	3,696	-	3,696
Other financial assets	573	-	573
Deferred tax assets	13,998	-	13,998
Total non current assets	33,261	-	33,261
Financial assets			
Other financial assets	449,100	449,100	-
Cash and cash equivalents	31,538	31,538	-
Other Current assets	10,440	10,440	-
Total Assets	524,339	491,078	33,261
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	10,099	-	10,099
Provisions	676	-	676
Total non current liabilities	10,775	-	10,775
Current liabilities			
Financial liabilities			
Lease liabilities	2,814	2,814	-
Other financial liabilities	851	851	-
Other current liabilities	332	332	-
Provisions	2	2	-
Total current liabilities	3,999	3,999	-
Total liabilities	14,774	3,999	10,775
Net	509,565	487,079	22,486

Particulars	As at 31 March 2022		
	Total	Within 12 months	After 12 months
Non-current assets			
Right of use asset	15,410	-	15,410
Financial assets	-	-	-
Other financial assets	533	-	533
Deferred tax assets	4,200	-	4,200
Total Assets	20,143	-	20,143
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	12,913	-	12,913
Total non current liabilities	12,913	-	12,913
Current liabilities			
Financial liabilities			
Lease liabilities	2,420	2,420	-
Other financial liabilities	16,025	16,025	-
Other current liabilities	737	737	-
Total current liabilities	19,182	19,182	-
Total liabilities	32,095	19,182	12,913
Net	(11,952)	(19,182)	7,230



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

32 Ratios:

Particulars	Methodology	For the year ended	For the year ended	Variance %
		31 March 2023	31 March 2022	
Current ratio [^]	Current assets over current liabilities	123	-	-100%
Return on equity ratio*	Profit after tax over total shareholder's funds	(0.08)	1.35	106%
Return on capital employed ^{^^}	Earnings before interest and taxes over capital employed	(0.07)	1.34	105%

[^] Current ratio : Variance is due to change in current assets and current liabilities of the Company in the current period as compared to previous year.

* Return on Equity Ratio : Variance is due to change in net profit and share holders funds of the Company in the current period as compared to previous year.

^{^^} Return on capital employed : Variance is due to change in net profit of the Company in the current period as compared to previous year.

33 Disclosure on lease transactions pursuant to Ind AS 116 - Leases

The Company's lease asset class primarily consists of leases for buildings. With the exception of leases of low-value and cancellable long-term leases underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liabilities.

33.1 Lease liabilities are presented in the balance sheet

Particulars	As at	As at
	31 March 2023	31 March 2022
Current maturities of lease liabilities (refer note no.11B)	2,814	2,420
Non-current lease liabilities (refer note no.11A)	10,099	12,913

33.2 The recognised right of use assets relate to buildings

Particulars	As at	As at
	31 March 2023	31 March 2022
Right of use assets - buildings		
Opening balance	15,410	-
Additions during the year	-	16,221
Depreciation charge for the year	(3,244)	(811)
Closing balance	<u>12,166</u>	<u>15,410</u>

33.3 The following are amounts recognised in Statement of Profit and Loss:

Particulars	As at	As at
	31 March 2023	31 March 2022
Depreciation charge on right of use assets (refer note 20)	3,244	811
Interest expense on lease liabilities (refer note 19)	1,027	187
Total	<u>4,271</u>	<u>998</u>

33.4 Refer Cash Flow Statement for total cash outflow for leases for the year ended 31 March 2023 and period ended 31 March 2022.

33.5 Maturity of lease liabilities

Future minimum lease payments as on 31 March 2023 are as follows:

Particulars	Lease payments	Interest expense	Net present value
Not later than 1 year	3,654	840	2,814
Later than 1 year not later than 5 years	11,190	1,091	10,099
Total	<u>14,844</u>	<u>1,931</u>	<u>12,913</u>

Future minimum lease payments as on 31 March 2022 are as follows:

Particulars	Lease payments	Interest expense	Net present value
Not later than 1 year	3,447	1,027	2,420
Later than 1 year not later than 5 years	14,844	1,931	12,913
Total	<u>18,291</u>	<u>2,958</u>	<u>15,333</u>

34 Expenditure in foreign currency (accrual basis)

Hosting and IT services

	For the year ended	For the period
	31 March 2023	20 December 2021 to 31 March 2022
Hosting and IT services	35	-
	<u>35</u>	<u>-</u>



Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

35 Dues to micro enterprises and small enterprises

The Ministry of Micro, Small, and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable of such enterprises as at 31 March 2023 has been made in the financial statement based on information received and available with the Company. The dues to such enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 is stated as under:

	As at 31 March 2023	As at 31 March 2022
(i) The Principal amount and Interest due thereon remaining unpaid to any supplier at the end of the each accounting year:	-	-
(ii) The Amount of Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to supplier beyond the appointed date during the year	-	-
(iii) The Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued and remaining unpaid the end of the year	-	-
(v) The Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

36 Segment reporting

In the opinion of the management, there is only one reportable business segment as envisaged by IND AS 108 on 'Operating Segment' issued by Institute of Chartered accountants of India. Accordingly, no separate disclosure for segment disclosure for segment reporting is required to be made in the financial statements of the company. Secondary segmentation based on geography has not been presented as the company operates primarily in India and the company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

37 Provisions, contingent liabilities and capital commitments

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not have any contingent liability and capital commitments as on 31 March 2023.

38 Corporate Social Responsibility (CSR) expenditure

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto by the Company during the year and previous year is Nil.

39 Other Statutory information :

- (i) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender during the financial year ended 31 March 2023 and 31 March 2022.
- (ii) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 during the financial year ended 31 March 2023 and 31 March 2022.
- (iii) There are no transactions not recorded in the books of accounts as on 31 March 2023 and 31 March 2022.
- (iv) The Company has not traded or invested in crypto currency or virtual currency during the financial years ended 31 March 2023 and 31 March 2022.
- (v) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the financial years ended 31 March 2023 and 31 March 2022.
- (vi) The Company does not have any charges or satisfaction which requires registration with Registrar of Companies.



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Zerodha Asset Management Private Limited

Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023

(All amounts in ₹'000, unless otherwise stated)

40 Additional disclosure

Additional information as required under Schedule III to the Act to the extent either "nil" or "not applicable" has not been furnished.

The accompanying notes are an integral part of Financials Statements

As per our report of even date.

For Walker chandiok & Co. LLP
Chartered Accountants
Firm Registration Number : 001076N/N500013



Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 24 July 2023





Vishal Virender Jain
Chief Executive Officer

Place: Bengaluru
Date: 24 July 2023

For and on behalf of the Board of Directors
Zerodha Asset Management Private Limited



Tushar Mahajan
Director
DIN: 09799589

Place: Mumbai
Date: 24 July 2023



Rajanna Bhuvanesh
Director
DIN: 09434723

Place: Bengaluru
Date: 24 July 2023



Chintan Vasantlal Bhatt
Chief Financial Officer

Place: Bengaluru
Date: 24 July 2023



Shikha Singh
Company Secretary

Place: Bengaluru
Date: 24 July 2023

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