

P.R. MEHRA & CO.

CHARTERED ACCOUNTANTS

56, Darya Ganj, New Delhi-110002.
Tel : 43156156, 23274910, 23271236
E-mail: prmdg@prmehra.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Chase Investments Limited

Report on the Audit of the Special Purpose Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying special purpose Standalone Ind AS financial statements of CHASE INVESTMENTS LIMITED (hereinafter referred to as "the Company") which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose Standalone Ind AS financial statements"). These special purpose Standalone Ind AS financial statements have been prepared by the management of Chase Investments Limited as the holding company of Chase Investments Limited is required to present Ind AS consolidated financial statements for its Group. {Refer Note No. 1(2) of the special purpose Standalone Ind AS financial statements}.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matter, in our opinion, is as under:

Fair Valuation of Unquoted Equity Shares

91,875 number of unquoted equity shares of Rs.10 each costing Rs.3,678 thousands held as non-current investments, in KK Modi Investments & Financial Services Private Limited, have been measured at fair value of Rs.17,79,618.75 thousands (As on March 31, 2021 Rs.13,61,771.25 thousands) by a firm of Chartered Accountants appointed by the company and changes in fair value of Rs.4,17,847.50 thousands (previous year Rs.2,50,175.63 thousands) have been recognised in the Other Comprehensive Income. We have relied upon the report of firm of Chartered Accountants appointed by the Company regarding fair valuation of these unquoted equity shares stated above in forming our opinion on these special purpose Standalone Ind AS financial statements of the company.

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

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

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

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

When we read the Board's Report including Annexures to the Board's Report, Corporate Governance and shareholders information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. That such information is pending for approval as on date of this report.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these special purpose Standalone Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; 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, which have been used for the purpose of preparation of the special purpose Standalone Ind AS financial statements by the Directors of the Company, as aforesaid.

In preparing these special purpose Standalone Ind AS financial statements, the Board of Directors of the company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the special purpose Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the special purpose Ind AS Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 special

purpose standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the special purpose Standalone Ind AS financial statements, including the disclosures, and whether the special purpose Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the special purpose Standalone Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Standalone financial statements of which we are the independent auditors. For the other entities included in the special purpose Standalone Ind AS financial statements which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the special purpose Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

Without modifying our opinion, we draw attention to Note 1(2) of the special purpose Standalone Ind AS financial statements, which describes the purpose of preparation of the special purpose Standalone Ind AS financial statements i.e. to assist the holding company of Chase Investment Limited to prepare consolidated Ind AS financial statements. As a result, these special purpose Standalone Ind AS financial statements may not be suitable for another purpose. Our report is intended solely for Chase Investment Limited and its holding company and their auditors and should not be distributed to or used by other parties.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 purposes of our audit of special purpose Standalone Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid special purpose Standalone Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Standalone Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of special purpose Standalone Ind AS financial statements.
 - (d) In our opinion, the aforesaid special purpose Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the company as on March 31, 2022 taken on record by the Board of Directors of the Company, none of the directors of the company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to the financial statements and the operative effectiveness of such controls, refer to our separate Report in Annexure A.

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

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

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

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

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

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("intermediaries"), 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;

(c) Based on such audit procedures that we have considered appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under paragraphs (iv)(a) and (b) contain any material mis-statement.

For P.R. Mehra & Co
Chartered Accountants
(Firm's Registration No. 000051N)

SWINDER
KUMAR
NIRWANI

Swinder Kumar
Partner
Membership No: 013910

UDIN: 22014211AJGYDI1997
Place: New Delhi
Dated: May 19, 2022

Annexure – “A” to the Auditors’ Report

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

In conjunction with our audit of the special purpose Standalone Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to the special purpose Standalone Ind AS financial statements of **Chase Investments Limited** (“the Company”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to the financial statements

A company’s internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to the financial statements

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

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to the financial statements issued by the ICAI.

For P.R. Mehra & Co.
Chartered Accountants
(Regn. No. 000051N)

SWINDER
KUMAR
NIRWANI

Swinder Kumar
Partner
M. No. 014211

Place: New Delhi
Date: May 19, 2022

CHASE INVESTMENTS LIMITED
SPECIAL PURPOSE STANDALONE BALANCE SHEET AS AT 31 MAR, 2022
(All amounts in ₹ Thousands unless otherwise stated)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-current assets			
Financial assets			
- Investments	2	22,78,954.87	18,04,934.59
Income tax assets (net)	3	56.34	26.57
Total non-current assets		22,79,011.21	18,04,961.16
Current assets			
Financial assets			
- Investments	2	15,782.51	17,700.33
- Cash and cash equivalents	4	1,120.16	383.54
- Other bank balances	5	16,927.18	10,602.99
- Other financial assets	6	120.96	-
Total current assets		33,950.81	28,686.87
Total assets		23,12,962.02	18,33,648.03
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	28,045.50	28,045.50
Other equity	8	18,49,631.04	14,73,331.10
Total equity		18,77,676.54	15,01,376.60
Liabilities			
Non-current liabilities			
Deferred tax liabilities (net)	9	4,35,112.98	3,32,003.45
Total non-current liabilities		4,35,112.98	3,32,003.45
Current liabilities			
Financial liabilities			
-Trade payables	10		
-Outstanding dues of micro and small enterprises		135.00	185.33
-Outstanding dues of other than micro and small enterprises		-	67.14
Current tax liabilities (Net)	11	-	-
Other current liabilities	12	37.50	15.51
Total current liabilities		172.50	267.98
Total equity and liabilities		23,12,962.02	18,33,648.03
Notes forming part of the Financial Statements	1-29		

In terms of our report attached

For P.R.Mehra & Co.,
Chartered Accountants
(F.R.No. 000051N)

SWINDER
KUMAR
NIRWANI

(Swinder Kumar)
Partner
M.No.: 014211

Place: New Delhi
Dated: 19.05.2022

For and on behalf of the Board of Directors


Sunil Aggarwal
Director
DIN 00029286


Sanjay Kumar Gupta
Director
DIN 00027728

AM

CHASE INVESTMENTS LIMITED**SPECIAL PURPOSE STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MAR, 2022**

(All amounts in ₹ Thousands unless otherwise stated)

Particulars	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021
INCOME			
Revenue from operations	13	62,217.59	1,77,037.44
Other income	14	612.86	300.91
TOTAL INCOME		62,830.45	1,77,338.35
EXPENSES			
Finance costs	15	26.50	12.03
Other expenses	16	526.35	798.21
TOTAL EXPENSES		552.85	810.24
Profit/(loss) before tax		62,277.60	1,76,528.11
Tax expense:			
Current tax		715.63	606.30
Current tax relating to prior periods		-	0.26
Deferred tax		5,860.41	20,719.64
Profit/(loss) for the year		55,701.56	1,55,201.91

Other comprehensive income**Items that will not to be reclassified to profit or loss**

(i) Gain/(Loss) on equity instruments through other comprehensive income	4,17,847.50	2,50,175.63
(ii) Income tax relating to items that are classified in other comprehensive income.	(97,249.12)	(58,159.34)
Total other comprehensive income - (i+ii)	3,20,598.38	1,92,016.29

Total comprehensive income for the period	3,76,299.94	3,47,218.20
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Earning per equity share

Basic ₹	198.61	553.39
Diluted ₹	154.86	431.48

(Face value of share - Rs. 100 each)

Notes forming part of the Financial Statement

1-29

In terms of our report attached

For P.R.Mehra & Co.,**Chartered Accountants****(F.R.No. 000051N)**

SWINDER

KUMAR

NIRWANI

(Swinder Kumar)

Partner

M.No.: 014211

Place: New Delhi

Dated: 19.05.2022

For and on behalf of the Board of Directors


 Sunil Adgarwal
 Director
 DIN 00029286


 Sanjay Kumar Gupta
 Director
 DIN 00027728

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CHASE INVESTMENTS LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAR, 2022
(All amounts in ₹ Thousands unless otherwise stated)

(a) Equity share capital

Particulars	Amount
Balance at 1 Apr, 2020	28,045.50
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the previous reporting period	-
Changes in equity share capital during the year	28,045.50
Balance at 31 Mar, 2021	28,045.50
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	28,045.50
Balance at 31 Mar, 2022	28,045.50

(b) Other equity

Particular	General reserves	Capital redemption reserve	Amalgamation Reserve	Statutory Reserve	Fair value through Other Comprehensive Income Reserve (FVTOCI)	Retained earnings	Total
Balance at 1 Apr, 2020	116.60	12.60	15,905.09	7,088.77	8,50,581.33	2,52,408.51	11,26,112.90
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	116.60	12.60	15,905.09	7,088.77	8,50,581.33	2,52,408.51	11,26,112.90
Transfer to Statutory reserve from retained earnings	-	-	-	676.97	-	-676.97	-
Profit for the year	-	-	-	-	-	1,55,201.91	1,55,201.91
Other Comprehensive income for the year, net of Income tax	-	-	-	-	1,92,016.29	-	1,92,016.29
Balance at 31 Mar, 2021	116.60	12.60	15,905.09	7,765.74	10,42,597.62	4,06,933.45	14,73,331.10
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	116.60	12.60	15,905.09	7,765.74	10,42,597.62	4,06,933.45	14,73,331.10
Transfer to Statutory reserve from retained earnings	-	-	-	753.36	-	-753.36	-
Profit for the year	-	-	-	-	-	55,701.56	55,701.56
Other Comprehensive income for the year, net of Income tax	-	-	-	-	3,20,598.38	-	3,20,598.38
Balance at 31 Mar, 2022	116.60	12.60	15,905.09	8,519.10	13,63,196.00	4,61,881.65	18,49,651.04

Notes forming part of the financial statements

In terms of our report attached
For P.R.Mehra & Co.,
Chartered Accountants
(F.R.No. 000051N)

SWINDER
KUMAR
NIRWANI

(Swinder Kumar)

Partner

M.No.: 014211

Place: New Delhi

Dated: 19.05.2022

For and on behalf of the Board of Directors

Sunil Aggarwal
Director
DIN 00029286

Saniav Kumar Gupta
Director
DIN 00027728

CHASE INVESTMENTS LIMITED
SPECIAL PURPOSE STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAR, 2022
(All amounts in ₹ Thousands unless otherwise stated)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
A. Cash flow from operating activities		
Net profit/(loss) before tax	62,277.60	1,76,528.11
Adjustment for:		
Decrease / (Increase) in fair value of Non-current Investment	(56,176.62)	(1,68,201.61)
Decrease / (Increase) in fair value of Current Investment	(2,014.53)	(4,561.13)
Movements in working capital:		
Decrease / (Increase) in other current Financial assets assets	(120.96)	151.19
Decrease / (Increase) in Non current and current Investments (other than fair value change) (net)	3,936.19	3,619.50
Decrease / (Increase) in other bank balances	(6,324.19)	(7,073.72)
Increase / (Decrease) in current liabilities/current financial liability	(95.48)	(31.02)
	(60,795.59)	(1,75,096.79)
Cash generated from operations	1,482.01	431.32
Direct Tax paid	(745.39)	(526.11)
Net cash flow from operating activities (A)	736.62	(94.79)
B. Cash Flows from investing activities (B)	-	-
C. Cash Flows from financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A + B + C)	736.62	(94.79)
Cash and cash equivalents at the beginning of the year	383.54	478.33
Cash and cash equivalents at the end of the year	1,120.16	383.54
Components of cash and cash equivalents:		
With banks - in current account	1,120.16	383.54
	1,120.16	383.54

Notes forming part of the Financial Statement

1-29

As per our Report of even date attached

For P.R.Mehra & Co.,
Chartered Accountants
(F.R.No. 000051N)

SWINDER
KUMAR
NIRWANI

(Swinder Kumar)

Partner

M.No.: Q14211

Place: New Delhi

Dated: 19.05.2022

For and on behalf of the Board of Directors


Sunil Aggarwal
Director
DIN 00029286


Sanjay Kumar Gupta
Director
DIN 00027728

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CHASE INVESTMENTS LIMITED

NOTE-1: NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR. 2022

1 Corporate information

Chase Investment Limited ('the Company') was incorporated in India on January 28, 1984. The Company is fully owned by Indian Shareholders.

The addresses of its registered office is Omaxx Square, Plot No-14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

2 Statement of compliance

The holding company - e GODFREY PHILIPS INDIA LIMITED, a listed company, has adopted IND AS with effect from financial year 2016-17. However, the non-banking financial companies below a specified net worth are not required to adopt IND AS as per the road map for applicability of Indian Accounting Standards (IND AS). Accordingly, even though the company has prepared standalone financial statements as per previous Indian GAAP under the Companies Act 2013, these special purpose standalone financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 in view of applicability of Ind AS on the ultimate holding company.

3 Basis of preparation and presentation

a. Basis of preparation and presentation

The financial statements are presented in ₹ Thousands.

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

b. Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised.

4 Significant accounting policies

a. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Dividend income from shares/ mutual funds is recognised for when the right to receive it is established.

Income from services

Revenue from service contracts priced on a time basis is recognised when services are rendered and related costs are incurred.

Other income

Other income comprises of fair value gain on investments and interest income.

Income from investments and interest income is accounted for on accrual basis.

b. Taxation

Current tax

Provision for current tax for the period is based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

The tax currently payable is based on taxable profits for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax resulting from "temporary differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future. Deferred tax that relates to items that are recognised in other comprehensive income is recognised in other comprehensive income.

c. Finance Costs

Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Profit and Loss using effective interest rate (EIR). Borrowing cost may include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e. Earnings per share (EPS)

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

f. Provisions

General

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value is material).

g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

CHASE INVESTMENTS LIMITED

NOTE-1: NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR. 2022

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- (b) The asset's contractual cash flows represent SPPI.

Financial assets at Fair Value Through Profit or Loss (FVTPL):

FVTPL is a residual category for financial assets. Any asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Equity investments:

All equity investments, except investments in subsidiaries and associates and non-current investment in unquoted equity shares of KK MODI INVESTMENT & FINANCIAL SERVICES PVT. LIMITED, in scope of Ind AS 109 are measured at fair value, with all changes recognized in the Statement of profit and loss. The investments in shares of subsidiaries and associates valued at cost. Non-current investments in equity shares of KK MODI INVESTMENT & FINANCIAL SERVICES PVT. LIMITED are measured at fair value, with all changes recognized in the other comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
 - The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss:

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

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

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

h. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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 economic best 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.

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

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

- Level 1 — 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The board of directors, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

CHASE INVESTMENTS LIMITED
NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR. 2022

(All amounts in ₹ Thousands unless otherwise stated)

2 Investments
(a) Non-current Investments

Name of the Company/Entity	Quantity 31.03.2022	As at 31.03.2022	Quantity 31.03.2021	As at 31.03.2021
A Equity Shares - Unquoted				
Narang Industries Limited	40,000	-	40,000.00	-
Friendly Realty Projects Limited	5,100	12,176.61	5,100.00	12,176.61
K K Modi Investment and Financial Services Private Limited	91,875	17,79,618.75	91,875.00	13,61,771.25
Unique Space Developers limited	3,580	5,306.00	3,580.00	5,306.00
Circassia Pacific Investment Limited	1,00,000	-	1,00,000.00	-
B Preference Share- Unquoted				
K K Modi Investment and Financial Services Private Limited	71,28,000	16,334.68	71,28,000.00	17,603.72
Unique Space Developers limited	2,25,000	22,500.00	2,25,000.00	22,500.00
C Equity, Preference Shares & Debentures - Quoted				
Aditya Birla Capital Limited	12,577	1,380.33	12,577.00	1,527.48
Ashoka Buildcon Limited	9,090	805.83	9,090.00	935.35
Ashok Leyland Limited	15,000	1,767.75	15,000.00	1,712.25
Axis Bank	5,000	3,819.75	5,000.00	3,493.75
Bank of Baroda	5,000	572.75	5,000.00	371.25
Bharat Electronics Limited	8,800	1,890.24	8,800.00	1,108.80
Care rating Limited	1,020	538.31	1,020.00	434.88
Century Plyboards India Limited	7,133	5,044.81	7,133.00	2,281.49
Coachin shipyard Limited	2,286	691.06	2,286.00	860.68
Cipla Limited	1,000	1,009.55	1,000.00	619.00
Coal India Limited	154	28.64	154.00	20.27
Castrol India Limited	4,800	498.48	4,800.00	605.75
Digilent Media Corporation Ltd	57	0.14	57.00	0.04
Dabur India Limited	6,000	3,254.40	6,000.00	3,257.70
Deccan Chronicle Holdings Limited	2,000	0.00	2,000.00	-
Engineers India Limited	4,500	297.23	4,500.00	350.78
Emami Limited	5,400	2,454.84	5,400.00	2,609.28
Fortis Healthcare Limited	51,176	14,564.69	51,176.00	10,227.52
Golden Tobacco Limited	100	10.25	100.00	4.15
HDFC Bank Limited	1,46,400	2,18,721.60	1,46,400.00	2,17,916.40
Hindustan Unilever Limited	1,694	3,494.98	1,694.00	4,131.33
ICICI Bank Limited	12,864	9,348.91	12,864.00	7,481.06
ICRA Limited	1,000	4,162.50	1,000.00	3,308.40
Indian Bank Limited	2,096	328.55	2,096.00	248.59
Infosys Technologies Limited	4,000	7,573.80	4,000.00	5,562.80
IDFC BANK LIMITED	13,815	571.94	13,815.00	793.67
ITC Limited	13,500	3,385.13	13,500.00	2,968.65
J.K.Cement Limited	2,000	5,064.00	2,000.00	5,880.70
Kotak Mahindra Bank Limited	4,000	7,106.20	4,000.00	7,065.60
Maruti Suzuki India Limited	950	7,200.10	950.00	6,613.57
NCL Industries Limited	2,790	521.73	2,790.00	481.00
Nestle India Ltd	93	1,622.85	93.00	1,590.30
NTPC Limited	7,852	1,104.78	7,852.00	851.16
NTPC Limited PS	6,544	85.86	6,544.00	89.46
Punjab National Bank	1,150	41.40	1,150.00	42.61
PNB Housing Finance Limited	1,538	596.67	1,538.00	589.67
Power Finance Corporation Limited	1,994	230.61	1,994.00	228.41
Power Grid Corporation of India Limited	22,757	5,058.88	17,068.00	3,673.03
Piramal Enterprises Limited	432	957.96	432.00	776.41
Reliance Home finance Limited	75	0.30	75.00	0.19
Reliance Capital Limited	75	1.31	75.00	0.83
Reliance Industries Limited	10,352	27,326.17	10,352.00	20,905.35
RBL Bank Limited	2,300	310.73	2,300.00	480.47
SRF Limited	16,000	42,384.00	3,200.00	17,711.36
State Bank of India	40,910	20,428.41	40,910.00	14,956.70
Steel Authority of India Limited	100	10.06	100.00	8.13
Tata Chemicals Limited	1,500	1,479.45	1,500.00	1,134.00
Tata Consultancy Services Limited	7,700	28,844.20	7,700.00	24,673.88
Tata Consumer Products Limited	1,710	1,349.96	1,710.00	1,102.35
Tata Motors Limited	10,164	4,418.29	10,164.00	3,101.04
VST Industries Limited	100	308.30	100.00	337.62
Zee Entertainment Enterprises Limited	1,094	323.77	1,094.00	224.54
Zee Entertainment Enterprises Limited - 6% Pref. Share	-	-	2,297.00	4.36
Zee Media Corporation Limited (Earlier Zee News Limited)	226	3.92	226.00	1.47
E ETF - Quoted				
Nippon India mutual Fund	22.125	22.52	22.10	21.99
F Portfolio Management Scheme - Unquoted				
Sai Rayalaseerna Paper Mills Limited	15,895	-	15,895.00	-
		22,78,954.87		18,04,934.59
(b) Current Investment				
DSP Black Rock Arbitrage Fund Direct- Dividend	-	-	6,16,558.68	6,482.50
DSP Black Rock Arbitrage Fund Direct- Growth	5,41,116.07	6,748.26	-	-
IFIL Special Opportunities Fund Series 5	10,28,489.30	9,034.25	10,28,489.30	11,217.64
		15,782.51		17,700.33

CHASE INVESTMENTS LIMITED
NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022
 (All amounts in ₹ Thousands unless otherwise stated)

3 Income tax assets (net)

Tax recoverable (Net of Provision of tax)

As at	As at
31.03.2022	31.03.2021
56.34	26.57
56.34	26.57

4 Cash and cash equivalents

Balances with Banks
 -In current accounts

As at	As at
31.03.2022	31.03.2021
1,120.16	383.54
1,120.16	383.54

For the purpose of the statement of Cash flow, Cash and cash equivalents comprise of the following:

-Balances with Banks
 -In current accounts

1,120.16	383.54
1,120.16	383.54

5 Other bank balances

Balances with Banks
 -FDR with original maturity upto 12 months
 -FDR with original maturity more than 12 months

As at	As at
31.03.2022	31.03.2021
13,687.49	10,602.99
3,239.69	-
16,927.18	10,602.99

6 Other financial assets

Interest accrued on bank and other deposits

As at	As at
31.03.2022	31.03.2021
120.96	-
120.96	-

CHASE INVESTMENTS LIMITED
NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022
(All amounts in ₹ Thousands unless otherwise stated)

7 Equity Share capital

Authorised

589,500 Equity Shares of Rs. 100 each
11,500 Preference Shares of Rs. 100 each

Issued & subscribed

201,210 Equity shares of Rs. 100 each
158,490 Equity shares of Rs. 100 each called up Rs. 50

Paid up

201,210 Equity shares of Rs. 100 each
158,490 Equity shares of Rs. 100 each paid up Rs. 50

	As at 31.03.2022	As at 31.03.2021
Authorised		
589,500 Equity Shares of Rs. 100 each	58,850.00	58,850.00
11,500 Preference Shares of Rs. 100 each	1,150.00	1,150.00
	60,000.00	60,000.00
Issued & subscribed		
201,210 Equity shares of Rs. 100 each	20,121.00	20,121.00
158,490 Equity shares of Rs. 100 each called up Rs. 50	7,924.50	7,924.50
	28,045.50	28,045.50
Paid up		
201,210 Equity shares of Rs. 100 each	20,121.00	20,121.00
158,490 Equity shares of Rs. 100 each paid up Rs. 50	7,924.50	7,924.50
	28,045.50	28,045.50

(i) Shares held by each shareholder holding more than 5%

Name of the shareholder	No. of shares	% held as at 31.03.2022	No. of shares	% held as at 31.03.2021
Godfrey Phillips India Ltd. *	359700	100.00	3,59,700.00	100.00

* Holding Company and promoter

8 Other equity

General Reserve
Capital Redemption Reserve
Amalgamation Reserve
Statutory Reserve
Fair value through Other Comprehensive Income Reserve
Retained Earnings

	As at 31.03.2022	As at 31.03.2021
General Reserve	116.60	116.60
Capital Redemption Reserve	12.60	12.60
Amalgamation Reserve	15,905.09	15,905.09
Statutory Reserve	8,519.10	7,765.74
Fair value through Other Comprehensive Income Reserve	13,63,196.00	10,42,597.62
Retained Earnings	4,61,881.65	4,06,933.45
	18,49,631.04	14,73,331.10

General Reserve

	116.60	116.60
	116.60	116.60

Capital Redemption Reserve

	12.60	12.60
	12.60	12.60

Amalgamation Reserve

	15,905.09	15,905.09
	15,905.09	15,905.09

Statutory Reserve

Opening balance
Add : During the year

	7,765.74	7,088.77
	753.36	676.97
	8,519.10	7,765.74

Fair value through Other Comprehensive Income Reserve

Opening balance
Add : Net gain on FVTOCI (Net of tax) during the year
Net surplus in the statement of profit and loss

	10,42,597.62	8,50,581.33
	3,20,598.38	1,92,016.29
	13,63,196.00	10,42,597.62

Retained Earnings

Opening balance
Add : Net profit/(loss) for the year
Less : Transfer to statutory reserve
Net surplus in the statement of profit and loss

	4,06,933.45	2,52,408.51
	55,701.56	1,55,201.91
	(753.36)	(676.97)
	4,61,881.65	4,06,933.45

9 Deferred Tax Liability

Deferred tax liabilities on Fair value of Investments
Deferred tax asset - unutilised tax credit

	As at 31.03.2022	As at 31.03.2021
Deferred tax liabilities on Fair value of Investments	4,35,112.98	3,32,108.34
Deferred tax asset - unutilised tax credit	-	(104.89)
	4,35,112.98	3,32,003.45

10 Trade payables

Current

Undisputed and due for less than one year
Trade payables - Micro and small enterprises
Trade payables - Other than Micro and small enterprises

	As at 31.03.2022	As at 31.03.2021
Undisputed and due for less than one year		
Trade payables - Micro and small enterprises	135.00	185.33
Trade payables - Other than Micro and small enterprises	-	67.14
	135.00	252.47

CHASE INVESTMENTS LIMITED**NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR. 2022**

(All amounts in ₹ Thousands unless otherwise stated)

11 Current tax liabilities (Net)

Tax Payable (Net of Advance tax/Tds)

As at 31.03.2022	As at 31.03.2021
-	-
-	-

12 Other liabilities**Current**

Statutory dues

As at 31.03.2022	As at 31.03.2021
37.50	15.51
37.50	15.51

CHASE INVESTMENTS LIMITED**NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022**

(All amounts in ₹ Thousands unless otherwise stated)

	For the year ended 31.03.2022	For the year ended 31.03.2021
13 Revenue from Operations		
Profit on Sale of Non Current Investment in equity	26.06	2,409.52
Dividend Income on equity	2,841.53	1,402.54
Dividend Income on Mutual Fund	1,158.85	462.65
Net gain on fair value adjustment of:		
- Non Current Investments fair valued through profit and loss	56,176.62	1,68,201.61
- Current investments fair valued through profit and loss	2,014.53	4,561.13
	62,217.59	1,77,037.44
14 Other Income		
Interest on Fixed deposit	605.73	300.91
Interest on Income Tax refund	7.13	-
	612.86	300.91
15 Finance costs		
Interest on Income Tax	26.50	12.03
Interest Paid	-	-
	26.50	12.03
16 Other Expenses		
Legal and professional expenses	297.95	568.61
Payment to auditors*	223.84	222.43
Bank charges	0.13	0.58
Demat Charges	1.77	3.91
Filing fees	1.80	1.80
Miscellaneous expenses	0.86	0.88
	526.35	798.21
*Payment to auditors (including GST) as:		
Audit fee	153.04	151.63
Limited review fee	70.80	70.80

CHASE INVESTMENTS LIMITED

NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022

(All amounts in ₹ Thousands unless otherwise stated)

17 Income taxes

Income tax expense in the consolidated statement of profit and loss comprises:

	Year ended 31.03.2022	Year ended 31.03.2021
Statement of profit and loss		
Current income tax		
In respect of the current year	715.63	606.30
In respect of the prior years	-	0.26
Deferred tax		
In respect of the current year	5,860.41	20,719.64
Total income tax expense recognised in the statement of profit and loss	6,576.04	21,326.20

Statement of Other Comprehensive Income:

Deferred tax related to items recognised in OCI during the year:

Gain on equity instruments fair valued through OCI

Income tax charged to OCI

97,249.12	58,159.34
97,249.12	58,159.34

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended 31.03.2022	Year ended 31.03.2021
Profit/(loss) before tax	62,277.60	1,76,528.11
Income tax expense calculated at corporate tax rate of 26% (previous year 26%)	16,192.18	45,897.31
Differential tax rate used to created deferred tax on temporary differences	(9,269.29)	(24,062.28)
Differential tax rate used for computing current tax	(367.48)	(509.09)
Tax of earlier years	-	0.26
Others	20.63	-
At the effective income tax rate of 10.56% (Previous year: 12.08%)	6,576.04	21,326.20

The tax rate used for the current year reconciliation above is the corporate tax rate of 26% (Previous year 26%) payable by corporate entities in India on taxable profits under the Indian tax laws

CHASE INVESTMENTS LIMITED**NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022**

(All amounts in ₹ Thousands unless otherwise stated)

- 18 During the year under review, the main source of income of the Company was from investment and allied activities and no other activity was pursued. Thus being a Single unit company, segment reporting is not applicable.
- 19 An investment had been overvalued by ₹. 32,41,534 as on 31 March, 2021. These financials being the special purpose financials for use by Godfrey Phillips India Limited (GPI) to present its consolidated financial statements, the impact of correction in value of investment being immaterial for consolidated financial statements of GPI, has been given in current period and previous comparable period has not been reinstated.

20 Related party disclosure is as under:

(a) Names of related parties and nature of related party relationships:

Holding Company:

- Godfrey Phillips India Limited

Subsidiary Company:

- Unique Space Developers Limited

Fellow Subsidiary Companies:

- International Tobacco Company Limited

- Flavours & More Inc

- Godfrey Phillips Middle East DMCC

Fellow Subsidiary Company and Associate company:

- Friendly Reality Projects Limited

Associate of the Holding Company:

- KKM Management Centre Private Limited

- IPM India Wholesale Trading Private Limited

- KKM Management Centre Middle East FZE

Subsidiary of Associate Company (Friendly Reality Projects Limited):

- Rajputana Infrastructure Corporate Limited

Key Management Personnel:

- Mr. Sanjay Kumar Gupta, Director

- Mr. Sunil Agarwal, Director

- Mr. Shailender Singh Rana, Director

Key Management Personnel of Holding Company:

- Dr. Bina Modi, President and Managing Director

- Mr. Samir Modi, Whole Time Director

- Mr. Sharad Aggarwal, Whole time Director

- Mr. Sunil Agrawal, Chief Financial Officer

- Mr. Sanjay Gupta, Company Secretary

(b) Enterprises over which key management personnel of Holding Company are able to exercise significant influence and with whom the transactions have been done during the year under review: **None**

(c) Disclosure of transactions between the company and related parties during the year:

Nature of Transaction	31.03.2022	31.03.2021
	Rs.	Rs.
Transaction during the year		
With associates	None	None
With Subsidiary Company	None	None
With key management personnel	None	None
With enterprises over which significant influences exists	None	None
Outstanding Balances		
With associates		
Friendly Reality Projects Limited		
Investment in share capital	12,176.61	12,176.61
With Subsidiary Company		
Unique Space Developers Limited		
Investment in share capital:		
- Equity	5,306.00	5,306.00
- Preference	22,500.00	22,500.00
With key management personnel	None	None
With enterprises over which significant influences exists	None	None

CHASE INVESTMENTS LIMITED
NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022

(All amounts in ₹ Thousands unless otherwise stated)

- 21 (a) Deferred tax assets has not been recognized in relation to carried forward losses in view of uncertainty of sufficient future taxable income as per Ind AS-12 Income Taxes.

(b) During the year, tax is payable as per normal provisions under Income tax act. MAT Credit of ₹ 287.41 Thousands relating to earlier years (not booked in books of accounts but available as per Income Tax Return) have been utilized and accordingly tax expense have been shown net of MAT credit utilized.

22 Earning per share:

Particulars	31.03.2022	31.03.2021
(a) Net profit as per Statement of profit and loss	55,701.56	1,55,201.91
(b) Weighted average no. of equity share for basic	2,80,455	2,80,455
(c) Weighted average no. of equity share for diluted	3,59,700	3,59,700
(d) Basic earnings per share (₹)	198.61	553.39
(e) Diluted earnings per share (₹)	154.86	431.48
(f) Face value per share (₹)	100	100

23 Ratio Analysis

Ratio	Numerator	Denominator	31.03.2022	31.03.2021
Current Ratio	Current assets	Current liabilities	19681.63%	10704.89%
Debt - Equity Ratio	Total debt	Shareholder's equity	-	-
Debt service coverage ratio	Earnings for debt service	Debt Service	-	-
Return on equity ratio	Net profits after taxes	Average shareholder's equity	3.30%	0.03%
Inventory turnover ratio	Cost of goods sold	Average inventory	-	-
Trade receivables turnover ratio	Sales	Average trade receivable	-	-
Trade payables turnover ratio	Purchases	Average trade payables	-	-
Net capital turnover ratio	Sales	Working capital	-	-
Net profit ratio	Net profit	Net sales	89.53%	87.67%
Return on capital employed	Earnings before interest and taxes		2.69%	9.63%
Return on investment	Income from Investment	Average Investment	3.02%	0.03%

Explanation for change in ratios by more than 25%

Current Ratio: Increase in current ratio is due to increase in other bank balances.

- 24 No proceedings have been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
- 25 The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 26 The Company has complied with the number of layers prescribed under clause 87 of section 2 of companies Act, 2013 read with the rules.
- 27 The Company is required to be registered under section 45-IA of Reserve Bank of India (RBI) Act, 1934 and has been registered.
- 28 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

29 Financial instruments and risk management
Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31.03.2022	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
Financial instruments at FVTPL:				
(i) Non - current Investment in				
- Equity Shares - Unquoted	17,482.61	-	-	17,482.61
- Equity Mutual Funds - Unquoted	22.52	22.52	-	-
- Equity, Preference Shares & Debentures - Quoted	4,42,996.32	4,42,996.32	-	-
(ii) Current Investments in debt mutual funds - unquoted	15,782.51	15,782.51	-	-
Financial instruments at Other Comprehensive Income:				
(iii) - Equity Shares - Unquoted	17,79,618.75	-	-	17,79,618.75

LIASE INVESTMENTS LIMITED

NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022

(All amounts in ₹ Thousands unless otherwise stated)

Financial instruments at amortised cost:				
(iv) Non - current Investment in				
- Preference Share - Unquoted	38,834.68	-	-	38,834.68
(v) Cash and cash equivalents	2,120.16	-	-	-
(vi) Other bank balances	15,927.18	-	-	-
(vii) Other current assets	120.96	-	-	-
Total financial assets	23,12,905.68	4,58,801.34	-	18,35,936.04
Financial liabilities				
Financial instruments at amortised cost:				
- Trade Payables	135.00	-	-	-
Total financial liabilities	135.00	-	-	-
As at 31.03.2021	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
Financial instruments at FVTPL:				
(i) Non - current Investment in				
- Equity Shares - Unquoted	17,482.61	-	-	17,482.61
- Equity Mutual Funds - Unquoted	21.99	21.99	-	-
- Equity, Preference Shares & Debentures - Quoted	3,85,552.52	3,85,552.52	-	-
(ii) Current Investments in debt mutual funds - Unquoted	17,700.33	17,700.33	-	-
Financial instruments at Other Comprehensive Income:				
(iii) - Equity Shares - Unquoted	13,61,771.25	-	-	13,61,771.25
Financial instruments at amortised cost:				
(iv) Non - current Investment in				
- Preference Share - Unquoted	40,103.22	-	-	40,103.22
(vi) Cash and cash equivalents	383.54	-	-	-
(vi) Other bank balances	10,602.99	-	-	-
(vii) Other current assets	-	-	-	-
Total financial assets	18,33,618.45	4,03,274.84	-	14,19,357.08
Financial liabilities				
Financial instruments at amortised cost:				
- Trade Payables	67.14	-	-	-
Total financial liabilities	67.14	-	-	-

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants.

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Senior Management.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The company is not exposed to significant interest rate as at the respective reporting dates.

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there are no significant exposure of credit risk due to the nature of company's business.

CHASE INVESTMENTS LIMITED

NOTES TO SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAR, 2022

(All amounts in ₹ Thousands unless otherwise stated)

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**As per our Report of even date attached
For P.R.Mehra & Co.,
Chartered Accountants
(F.R.No. 000051N)**

SWINDER
KUMAR
NIRWANI

(Swinder Kumar)
Partner
M.No.: 014211

Place: New Delhi
Dated: 19.05.2022

For and on behalf of the Board of Directors


Sunil Agarwal
Director
DIN 00029286


Sahjay Kumar Gupta
Director
DIN 00027728

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