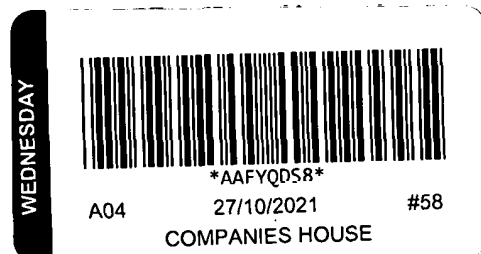


Company Registration No. 4585206 (England and Wales)

ELARA CAPITAL PLC
DIRECTORS' REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



ELARA CAPITAL PLC

GROUP INFORMATION

Directors	R Bhatt A Pandey M Desai
Secretary	A Verma
Company number	4585206
Registered office	248a Marylebone Road London NW1 6JZ
Auditor	Hillier Hopkins LLP Radius House 51 Clarendon Road Watford Herts WD17 1HP
Business address	248a Marylebone Road London NW1 6JZ
Bankers	Lloyds TSB Plc High Street Coventry CV1 5RA ICICI Bank UK Plc 21 Knightsbridge London SW1X 7LY
Solicitors	Candey Parker Legal Services Ltd Thomas Ford House 23-24 Smithfield Street London EC1A 9LF

ELARA CAPITAL PLC

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ELARA CAPITAL PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their strategic report of Elara Group (the 'Group') for the year ended 31 March 2021.

In accordance with Section 414A(1) of the Companies Acts 2006, we have prepared the Strategic Report which includes a review of the Group business and future developments, a description of the principal risk and uncertainties facing the Group and key performance indicators.

Section 172(1) Statement

The Company and the Group provides advise on investment instruments and arranges deals in investments, including the raising of equity capital through issuance of Global Depository Receipts, mergers and acquisitions, broking, and other merchant banking activities, which depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The Company and the Group seeks to put its customers' best interests first, invests in its employees, supports the communities in which it operates and strives to generate sustainable profits for shareholders.

The Directors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company and the Group for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in decision making at Board level.

Our vision, purpose, sustainability pillars and values are set out in the Strategic report, as are the risks facing our organisation and the mitigating action we take, our environmental, social and governance practices, examples of stakeholder engagement and information about our engagement with employees, shareholders and suppliers .

Review of the business

The principal activity of the Group is that of advising on investment instruments and arranging deals in investments, including the raising of equity capital through issuance of Global Depository Receipts, mergers and acquisitions, broking, and other merchant banking activities.

The Group has performed in line with its strategic objectives for the year given the challenging operating environment. The Group has shown a profit before taxation of £16,969,708 for the year ended 31 March 2021 as compared to the loss before tax of £18,541,402 for the year ended 31 March 2020. The directors are optimistic about the future prospects of the Group and expect slow but steady growth in the future.

The shareholders' funds have increased from £20.74 million at the start of the year to £34.25 million at 31 March 2021.

The Group's position at the balance sheet dates is shown on page 12, and that of the Company is shown on page 13.

The consolidated profit and loss account and other comprehensive income of the Group is shown on page 11, which shows the key performance indicators, which are considered to be turnover, gross profit and operating profit.

Principal risks and uncertainties

A description of the principal risk and uncertainties faced by the Group are discussed in the relevant section of the Directors' report.

The process of risk management is addressed through a framework of policies, procedures and internal controls. Compliance with regulations, legal and ethical standards is a high priority for the Group and is managed throughout the operational activities of the business and by each respective department.

ELARA CAPITAL PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Business environment

The Group's main focus is on Indian Markets. The Group advises clients on investments in Indian securities. Fluctuations in these markets have an impact on the Group's positions as well as on client positions. The Group is optimistic about the future due to the recent developments in India related to tax reforms and improved business environment. The Group is optimistic about the future and we expect a steady growth of the Group.

The Group will continue to employ capital in liquid debt securities and equities, maintain robust capital adequacy and liquidity with focus on the growth of the Group. The Group will concentrate on providing quality services to its customers and focus on building relations with new customers

The Group remains invested in high quality liquid debt securities and equity of listed companies.

Key Performance indicators

The Board consider that the key performance indicators for the Company are turnover, gross profit, and operating profit. These are set out in these financial statements in particular the profit and loss account.

Brexit Impact

Elara Capital PLC is the Parent company of Elara Group and is based in United Kingdom. All of the Elara's Group subsidiaries are based outside the European Union. As Elara's Group business is India centric, we assume that there will be negligible impact of Brexit. Further, Elara's Parent company will not be required to obtain any new regulatory permissions or change the business on Brexit. Most of Elara's funds are based out of Mauritius and Bermuda and their objective is to invest into India with minimum exposures to UK and European equities. Hence, we believe that there will be negligible impact of Brexit on Elara's Group Financial Results. With respect to the employees of the UK Parent office, they are either British citizen or holding valid work visa in United Kingdom.

Covid 19 pandemic

The Company and its subsidiaries and all its stakeholders will face many challenging as a result of the Global Pandemic. In common with most businesses the Company will take its responsibilities toward all its stakeholders seriously. The Board is however confident that it will adopt workings practices, to safely continue operations. Technology will be embraced to find new ways of communications, with stakeholders.

BY ORDER OF THE BOARD

For and on behalf of

ELARA CAPITAL PLC

248a Marylebone Road, London, NW1 6JZ



.....
A Verma

Company Secretary

14 July 2021

ELARA CAPITAL PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their annual report and consolidated financial statements of Elara Capital Plc ("the Company" and "the Group") for the year ended 31 March 2021.

Principal activities and review of the business

The principal activity of the Group continues to be that of advising on investment instruments and arranging deals in investments, including the raising of equity capital through issuance of Global Depository Receipts, mergers and acquisitions, broking, and other merchant banking activities. The Company is authorised and regulated by the Financial Conduct Authority in the United Kingdom and its subsidiaries where appropriate are regulated in the jurisdictions in which they operate.

The results for the year and the financial position at the end of the year were considered satisfactory by the directors given the difficult market conditions. The directors are optimistic about the future prospects of the Group and expect slow but steady growth in the future.

The Group's position at the balance sheet dates is shown on page 12, and that of the Company is shown on page 13.

The consolidated profit and loss account and other comprehensive income of the Group is shown on page 11, which shows the key performance indicators, which are considered to be turnover, gross profit and operating profit.

In the view of the directors the following are the key risks faced by the Group:-

Financial risk

Financial risk is an umbrella term for multiple types of risk associated with financing, including financial transactions that include group loans in risk of default.

The Group has in place a risk management process to limit the adverse effects on the financial performance of the Group by monitoring the exposure to each respective risk. The policies are set by the Board of Directors and monitored by the Finance Department. Given the size of the Group, the directors do not deem it necessary to delegate the responsibility of monitoring risk management to a sub-committee of the board.

Market Risk

- The Group's main focus is on Indian Markets. The Group advises clients on investments in Indian securities. Fluctuations in these markets have an impact on the Group's positions as well as on client positions. The directors believe this to be a risk, from both a monetary as well as a reputational perspective.
- The business has a strong dependence upon political stability in India. Any instability could affect the Group's revenues.
- India as an investment destination is administered by local government regulations. Any changes in these regulations could affect the business of the Group.

Operational Risk

Operational risk is the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from expected losses. The Group believes internal controls and processes are very important to manage the following:-

- Appropriateness of trades transacted on behalf of clients as well as proprietary positions
- Counterparty risk
- Fund transfer authorisation
- Compliance with local law and financial services regulations.

Brexit Impact, reference is made to the discussion in Strategic Report, we believe that there will be negligible impact of Brexit on Elara's Group Financial Results.

Credit risk

Credit risk is the risk associated with a borrower/debtor going into default. The Group performs appropriate due diligence on potential customers before entering into any transactions. The Group ensures credit given is effectively managed as part of a diversified borrowing pool.

ELARA CAPITAL PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Liquidity risk

Liquidity risk is a risk that for a certain period of time a given financial asset, security or commodity cannot be traded quickly enough in the market without impacting the market price.

The Group actively maintains adequate levels of liquid resources to ensure sufficient funds are available to settle liabilities as they fall due.

In accordance with the FCA requirement of BIPRU Chapter 11 'disclosure (pillar 3)', the Group is required to publish further information to allow external parties to assess the capital adequacy of the organization. The Pillar 3 report is available at <http://www.elaracapital.com/sites/default/files/Pillar3Disclosure-EiaraCapitalPLC.pdf>

Interest rate risk

There is minimal exposure to interest rate risk in relation to the assets and liabilities held due to no exposure to external borrowings. The Directors constantly monitor and will act accordingly to mitigate this risk should operations change in size or nature.

Currency risk

The Group is exposed to currency risk across many of its operations including client and proprietary positions. The Group seeks to minimize exposure to currency risk at all times.

The Group has diversified its operations to different locations which has helped Elara to match currencies between expenses and income. The Group also continuously monitors the movements in currency which it is exposed to and looks out for suitable opportunities to convert currency.

Steps taken to mitigate all of these risks

- The directors are consciously working towards diversifying the Group services by adding more geographies, though the directors feel that India itself offers ample growth opportunities.
- The directors are investing resources to build strong systems and processes to monitor trades and fund flows.
- The Group undertakes appropriate due diligence before accepting any new counterparty and monitor these relationships on an ongoing basis.
- With respect to the corporate finance mandate the directors insist wherever possible that fees are paid through an Escrow Mechanism.
- The Group holds professional indemnity insurance with Liberty International Underwriters.

Results and dividends

The results for the year are set out on page 11.

The directors recommended an interim dividend of £100,000 in aggregate on ordinary shares for the year ended 31 March 2021, of which £100,000 was paid during the financial year as an interim dividend. The directors recommended and paid a dividend of £160,000 for the year ended 31 March 2020.

Directors

The following directors have held office during the year and at the date of this report:

R Bhatt

A Pandey

M Desai

Creditor payment policy

The Group's current policy concerning the payment of trade creditors is to:

- agree the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in their contracts; and
- pay in accordance with the Group's contractual and other legal obligations.

ELARA CAPITAL PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Political donations

The Group did not make any political donations.

Donation

The Group paid a charitable donation of £20,000, (2020:£700 to Kidney Research) during the year to charities working to support deaf and blind people, higher education and alleviate poverty in United Kingdom and India.

Remuneration Policy & Practices

In accordance with the FCA requirement the Group is required to publish its remuneration policy. The remuneration policy is available at <https://www.elaracapital.com/sites/default/files/files/Remuneration%20Code%20-%20March%202020.pdf>

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Hiller Hopkins LLP will therefore continue in office.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the consolidated financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law they have elected to prepare the Group and parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its consolidated financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

ELARA CAPITAL PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Group and Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Group and Company's auditor is aware of that information.

BY ORDER OF THE BOARD

For and on behalf of

ELARA CAPITAL PLC

248a Marylebone Road, London, NW1 6JZ



.....
R Bhatt

Director

14 July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELARA CAPITAL PLC

Opinion

We have audited the financial statements of Elara Capital PLC (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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. If we identify such material

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELARA CAPITAL PLC (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent 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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELARA CAPITAL PLC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which they are capable of detecting irregularities, including fraud is detailed below:

- We have assessed the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team and involving relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELARA CAPITAL PLC (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Alexander Bottom ACA (Senior statutory auditor)
for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP
14 July 2021

ELARA CAPITAL PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	1 April 2020 to 31 Mar 2021 £	1 April 2019 to 31 Mar 2020 £
Turnover	2	15,406,686	10,509,986
Cost of Sales		(2,964,273)	(3,750,000)
Gross profit		12,442,413	6,759,986
Foreign exchange (loss)/gain		(786,643)	252,319
Administrative expenses		(8,376,581)	(7,947,154)
Other operating income/(expense)	4	13,114,975	(18,104,160)
Operating profit/(loss)		16,394,164	(19,039,009)
Income from fixed assets investments	7	44,716	391,045
Interest receivable and similar income	8	1,505,296	1,044,681
Amounts written off investments	9	15,097	25,346
Interest payable and similar charges	10	(989,565)	(963,465)
Profit/(Loss) on ordinary activities before taxation		16,969,708	(18,541,402)
Tax on profit on ordinary activities	11	(737,093)	1,310,628
Profit/(loss) for the year		16,232,615	(17,230,774)
Other comprehensive income			
Foreign exchange (loss)/gain on translation of foreign operations		(2,620,242)	691,761
Total comprehensive income/(loss) for the year		13,612,373	(16,539,013)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Notes on pages 17 to 36 form part of the audited financial statements.

ELARA CAPITAL PLC

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	Year ended 31 Mar 2021		Year ended 31 Mar 2020	
		£	£	£	£
Fixed assets					
Intangible assets	12		7,853		11,475
Tangible assets	13		203,515		239,440
Investments	14		60		60
			<u>211,428</u>		<u>250,975</u>
Current assets and other financial assets					
Investments	15	24,073,564		11,081,198	
Debtors	16	18,412,089		16,744,619	
Loans and Advances	18	31,863		35,440	
Cash at bank and in hand		6,150,727		6,287,365	
		<u>48,668,243</u>		<u>34,148,622</u>	
Creditors: amounts falling due within one year	17	(7,476,809)		(6,502,281)	
Net current assets			<u>41,191,434</u>		<u>27,646,341</u>
Total assets less current liabilities			<u>41,402,862</u>		<u>27,897,316</u>
Creditors: amounts falling due after more than one year	26	(7,126,558)		(7,126,557)	
Provisions for liabilities	27	(22,332)		(29,160)	
Total assets less current liabilities			<u>34,253,972</u>		<u>20,741,599</u>
Capital and reserves					
Called up share capital	21	1,590,331		1,590,331	
Share premium account		230,000		230,000	
Profit and loss account		32,433,641		18,921,268	
Shareholders' funds			<u>34,253,972</u>		<u>20,741,599</u>

Notes on pages 17 to 36 form part of the audited financial statements.

The financial statements on pages 11 to 36 were approved by the Board of Directors on 14 July 2021

.....
R Bhatt
Director

.....
A Pandey
Director

Company Registration No. 4585206

ELARA CAPITAL PLC

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	Year ended 31 Mar 2021	Year ended 31 Mar 2020
		£	£
Fixed assets			
Tangible fixed assets	13	21,591	28,137
Investments	14	1,889,404	1,511,193
		<u>1,910,995</u>	<u>1,539,330</u>
Current assets and other financial assets			
Investments	15	7,065,655	1,763,419
Debtors	16	3,327,039	4,377,117
Cash at bank and in hand		1,166,939	976,465
		<u>11,559,633</u>	<u>7,117,001</u>
Creditors: amounts falling due within one year	17	(3,238,073)	(2,011,353)
		<u>8,321,560</u>	<u>5,105,648</u>
Net current assets			
		<u>10,232,555</u>	<u>6,644,978</u>
Total assets less current liabilities			
		<u>10,232,555</u>	<u>6,644,978</u>
Capital and reserves			
Called up share capital	21	52,500	52,500
Share premium account		230,000	230,000
Profit and loss account		9,950,055	6,362,478
		<u>10,232,555</u>	<u>6,644,978</u>
Shareholders' funds			
		<u>10,232,555</u>	<u>6,644,978</u>

Notes on pages 17 to 36 form part of the audited financial statements.

The financial statements on pages 11 to 36 were approved by the Board of Directors on 14 July 2021



R Bhatt
Director



A Pandey
Director

Company Registration No. 4585206

ELARA CAPITAL PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

The Group	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
For the year ended 31 March 2020				
Balance at 1 April 2019	1,590,331	230,000	35,620,281	37,440,612
(Loss) for the year	-	-	(17,230,774)	(17,230,774)
Foreign exchange profit on translation of foreign operations	-	-	691,761	691,761
Dividends	-	-	(160,000)	(160,000)
Balance at 31 March 2021	1,590,331	230,000	18,921,268	20,741,599
For the year ended 31 March 2021				
Profit for the year	-	-	16,232,615	16,232,615
Foreign exchange loss on translation of foreign operations	-	-	(2,620,242)	(2,620,242)
Dividends	-	-	(100,000)	(100,000)
Balance at 31 March 2020	1,590,331	230,000	32,433,641	34,253,972
The Company	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
For the year ended 31 March 2020				
Balance at 1 April 2019	52,500	230,000	8,775,500	9,058,000
Total comprehensive loss for the year	-	-	(2,253,022)	(2,253,022)
Dividends	-	-	(160,000)	(160,000)
Balance at 31 March 2020	52,500	230,000	6,362,478	6,644,978
For the year ended 31 March 2021				
Total comprehensive profit for the year	-	-	3,687,577	3,687,577
Dividends	-	-	(100,000)	(100,000)
Balance at 31 March 2021	52,500	230,000	9,950,055	10,232,555

Notes on pages 17 to 36 form part of the audited financial statements.

ELARA CAPITAL PLC

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	1 April 2020 to 31 Mar 2021 £	1 April 2019 to 31 Mar 2020 £
Cash flows from operating activities			
Cash (used in)/generated operations	1	(2,433,656)	1,146,743
Interest paid	9	(989,565)	(963,465)
Income taxes refunded/(paid)		5,577	(57,546)
Net cash (outflow)/inflow from operating activities		(3,417,644)	125,732
Cash flows from investing activities			
Purchase of intangible fixed assets	11	(5,296)	(5,669)
Purchase of tangible fixed assets	12	(28,560)	(46,255)
Proceeds on disposal of tangible fixed assets		1,474	299
Proceeds on disposal of fixed assets investments		-	320,043
Increase/(decrease) in loan and advances		1,451,137	(3,136,292)
Interest received		1,511,899	1,054,090
Dividends received	7	44,716	391,045
Net cash generated from /(used in) investing activities		2,975,370	(1,422,739)
Cash flows from financing activities			
Repayment of borrowings		126,947	110,244
Increase in bank overdraft		275,950	67,169
Dividends paid		(100,000)	(160,000)
Net cash generated from financing activities		302,897	17,413
Net decrease in cash and cash equivalents		(139,377)	(1,279,594)
Cash and cash equivalents at beginning of year		6,287,365	7,566,959
Cash and cash equivalents at end of year		6,147,988	6,287,365
Relating to			
Cash at bank and in hand		6,150,727	6,287,365
Bank overdraft		(2,739)	-

Notes on pages 17 to 36 form part of the audited financial statements.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1	Cash generated from operations	Notes	1 April 2020 to 31 Mar 2021 £	1 April 2019 to 31 Mar 2020 £
	Total comprehensive income/(loss) for the year after tax		13,612,373	(16,539,013)
	Adjustments for:			
	Taxation charged/ (credited)	10	737,093	(1,310,628)
	Interest payable and similar charges	9	989,565	963,465
	Investment income		(1,550,012)	(1,435,726)
	Loss on disposal of tangible fixed assets	3	1,248	3,025
	Amortisation and impairment of intangible fixed assets	11	8,918	4,834
	Depreciation and impairment of tangible fixed assets	12	61,763	73,034
	Amounts written off investments		(15,097)	(25,346)
	(Decrease)/Increase in provisions	26	(6,828)	18,058
	Movements in working capital:			
	(Increase)/decrease in shares and securities held for trading		(12,992,366)	20,269,658
	(Increase)/decrease in debtors		(3,679,948)	296,840
	Increase/(decrease) in creditors		399,635	(1,171,458)
	Cash (used in)/generated from operations		(2,433,656)	1,146,743

2 Analysis of changes in net debt

	1 April 2020 £	Cash flows £	Other noncash changes £	31 March 2021 £
Cash at bank and in hand	6,287,365	(136,640)	-	6,150,725
Bank overdrafts	-	(2,739)	-	(2,739)
	6,287,365	(139,379)	-	6,147,988
Borrowings excluding overdrafts	(984,305)	(402,896)	15,097	(1,372,104)
Convertible loan notes	(7,126,557)	-	-	(7,126,557)
	(1,823,497)	(542,275)	15,097	(2,350,675)

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting Policies

Group information

Elara Capital PLC together with its subsidiaries listed in note 27 forms the Elara Group. Elara Capital PLC is a company incorporated in England & Wales under the Companies Act. The registered office is 248a Marylebone Road, London, NW1 6JZ.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 1.17).

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

1.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2021. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account. The 2021 profit after tax charge of the Company was £3,687,577 (2020: loss £2,253,022).

1.3 Measurement convention

The financial statements are prepared on the historical cost basis except for investments held for trading, which are stated at their fair value and classified at fair value through the profit and loss.

1.4 Going concern

The Group's activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on page 1-2.

In light of the Group's financial resource and the impact of Coronavirus on the financial statements, the Directors believe that the Group is well positioned to successfully manage its business risks and have a reasonable expectation that the Group has adequate resource to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued.)

1.5 Turnover

Fee income represents revenue earned under a wide variety of contracts to provide professional services including the Management fee receivable by the subsidiary of the Group. Revenue is recognised as and when earned, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax. Advances received on account of work to be performed are included in deferred income.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently stated net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor Vehicles	25% reducing balance
Leasehold Improvements	Over the expected period of the life of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Intangible assets and amortisation

Intangible assets are stated at cost less amortisation. Amortisation is charged to the profit and loss account on a straight line basis over the life of the asset.

1.8 Investments in subsidiary undertakings

Investments by the Company in subsidiary undertaking are included at cost and assessed for impairment if indications exist. Decrease in profitability and decrease in net asset value of the subsidiaries are the common indicators for impairment. In the opinion of the Directors, the aggregate value of the subsidiary undertakings is not less than the aggregate amount at which the assets are included in the Company's balance sheet.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued.)

1.9 Impairment of fixed assets

At each reporting end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. Reversal of an impairment loss is recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued.)

1.11 Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial instruments

Trade and other debtors are recognized on the balance sheet when the Group becomes a party to the contractual provisions of the instruments at transaction price less attributable transaction costs.

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the liability is discharged.

Cash at bank comprises cash balances and call deposits.

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value with changes recognised in profit or loss (other operating income/expenses).

Other financial instruments

Derivative financial instruments and holdings in mutual funds/unit trusts are designated as at fair value through profit or loss and are measured at subsequent reporting dates at fair value. Where securities are designated at fair value through profit or loss, gains and losses arising from changes in fair value are included in profit or loss for the accounting period. The Group determines the classification of its financial instruments on initial recognition.

Derivative financial instruments are held for trading and carried at fair value as assets or liabilities. Fair value of financial instruments is based on quoted market prices. Changes in fair values are recognised in the profit or loss account.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued.)

1.12 Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when Companies within the Group intend to settle on a net basis and legal right to offset exist.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expenses are non-taxable or are disallowable for tax, or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset or liability is recognised in the Group and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Balance Sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.13 Foreign currency translation for subsidiaries

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Profit and loss accounts of such undertakings are consolidated at the average rates of exchange during the year. Gains and losses arising on these translations are taken to other comprehensive income.

1.14 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in profit and loss account.

1.15 Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

1.16 Leases

Operating lease rentals are charged to profit and loss account on a straight line basis over the period of the lease.

Benefit received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1.17 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Turnover

The total turnover is derived from the active members of the Group as follows:

Segmental reporting by geographical area

For the year from 1 April 2020 to 31 March 2021

	United Kingdom	Singapore	India	Mauritius	United States	Total
	£	£	£		£	£
Turnover	1,031,070	91,716	6,503,815	7,780,085	-	15,406,686
Other income/(expense)	5,159,142	154,972	1,402,927	7,947,945	1	14,664,987
Expenses	(3,006,393)	(444,451)	(6,827,885)	(2,559,270)	(279,063)	(13,117,062)
Amount written off	-	-	-	15,097	-	15,097
Profit/(Loss) before tax	<u>3,183,819</u>	<u>(197,763)</u>	<u>1,078,857</u>	<u>13,183,857</u>	<u>(279,062)</u>	<u>16,969,708</u>
Net Assets	<u>8,259,152</u>	<u>1,028,135</u>	<u>3,870,839</u>	<u>20,776,383</u>	<u>319,464</u>	<u>34,253,973</u>

For the year from 1 April 2019 to 31 March 2020

	United Kingdom	Singapore	India	Mauritius	United States	Total
	£	£	£		£	£
Turnover	736,703	165,438	4,146,182	5,442,782	18,881	10,509,986
Other income/(expense)	(8,475,920)	(18,335)	1,271,363	(9,445,543)	1	(16,668,434)
Expenses	(1,637,048)	(466,526)	(6,274,617)	(3,694,379)	(335,730)	(12,408,300)
Amount written off	-	-	-	25,346	-	25,346
Profit/(Loss) before tax	<u>(9,376,265)</u>	<u>(319,423)</u>	<u>(857,072)</u>	<u>(7,671,794)</u>	<u>(316,848)</u>	<u>(18,541,402)</u>
Net Assets	<u>2,013,305</u>	<u>1,267,319</u>	<u>1,135,852</u>	<u>15,983,845</u>	<u>341,278</u>	<u>20,741,599</u>

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3	Expenses and auditor's remuneration	1 April 2020	1 April 2019
		To	To
		31 Mar 2021	31 Mar 2020
		£	£
	Fees payable to the Group's auditors for audit of the Company's financial statements	22,500	23,500
	Fees payable to the Group's auditors for CASS audit	3,000	3,000
	Fees payable to the subsidiaries auditor for the audit of their financial statements	58,926	54,265
	Loss on disposal of tangible fixed assets	1,248	3,025
	Depreciation of owned tangible fixed assets	59,241	73,034
	Amortisation and impairment of intangible fixed assets	11,440	4,834
		<u> </u>	<u> </u>
4	Other operating income	1 April 2020	1 April 2019
		To	To
		31 Mar 2021	31 Mar 2020
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Unrealised gain/(losses) on current asset investments	13,131,566	(18,455,780)
	Net realised gains/(loss) on current asset investments	123,760	36,942
		<u> </u>	<u> </u>
5	Directors' emoluments	Year ended	Year ended
		31 Mar 2021	31 Mar 2020
		£	£
	Aggregate emoluments	276,065	275,571
	Aggregate contributions to a money purchase pension scheme	8,100	8,100
	Retirement benefit is accruing to 2 (2020:2) directors under a defined contribution money purchase schemes.		
	Remuneration disclosed above include the following amounts paid to the highest paid director:		
	Emoluments	152,894	152,660
	Contributions to a money purchase pension scheme	4,500	4,500
		<u> </u>	<u> </u>

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Employees

The Group

Number of employees

The number of employees (including directors) at year end was:

	Year ended 31 Mar 2021	Year ended 31 Mar 2020
	Number	Number
Management	14	14
Other Staff	112	113
	<u>126</u>	<u>127</u>

Employment costs

	Year ended 31 Mar 2021	Year ended 31 Mar 2020
	£	£
Wages and salaries	6,196,192	5,144,272
Social security costs	174,367	114,484
Pension Costs	30,405	24,727
	<u>6,400,964</u>	<u>5,283,483</u>

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7	Income from fixed assets investment	1 April 2020 To 31 Mar 2021 £	1 April 2019 To 31 Mar 2020 £
	Dividends received	44,716	391,045
8	Interest receivable and similar income	1 April 2020 To 31 Mar 2021 £	1 April 2019 To 31 Mar 2020 £
	Bank interest	75,185	121,773
	Other interest	1,430,111	922,908
		<u>1,505,296</u>	<u>1,044,681</u>
9	Amounts written off investments	1 April 2020 To 31 Mar 2021 £	1 April 2019 To 31 Mar 2020 £
	Amounts written back to financial liabilities	15,097	110,137
	Other gains and losses	-	(84,791)
		<u>15,097</u>	<u>25,346</u>
10	Interest payable and similar charges	1 April 2020 To 31 Mar 2021 £	1 April 2019 To 31 Mar 2020 £
	On bank loans and overdrafts	246,192	163,065
	Interest on convertible loan note	743,373	800,400
		<u>989,565</u>	<u>963,465</u>

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Taxation

	1 April 2020 To 31 Mar 2021 £	1 April 2019 To 31 Mar 2020 £
Current tax		
UK corporation tax on profits for the current period	177,409	75,084
Foreign current tax on profits for the current period	1,726	(7,432)
Deferred tax		
Origination and reversal of timing differences	557,958	(1,378,280)
Total tax charged/(credited)	737,093	(1,310,628)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	1 April 2020 To 31 Mar 2021	1 April 2019 To 31 Mar 2020
Profit/(loss) before taxation	16,969,708	(18,496,294)
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (1 April 2019 to 31 March 2020: 19.00%)	3,224,245	(3,514,296)
Tax effect of expenses that are not deductible in determining taxable profit	(64,897)	161,403
Permanent capital allowances in excess of depreciation	1,373	(1,643)
Depreciation on assets not qualifying for tax allowances	(429)	1,775
Other permanent differences	181	4,567
Dividend income	(177,954)	(1,215,044)
Foreign tax adjustments	(2,245,426)	3,252,610
Current tax charged/(credited) for the year	737,093	(1,310,628)

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Intangible assets

	Intangible assets
	2021 £
Cost	
At 1 April 2020	36,891
Additions	5,296
Disposals	-
At 31 March 2021	<u>42,187</u>
Amortisation	
At 1 April 2020	25,416
Charge for the year	8,918
Disposals	-
At 31 March 2021	<u>34,334</u>
Net book value	
At 31 March 2021	<u>7,853</u>
At 31 March 2020	<u><u>11,475</u></u>

All intangible assets are held by subsidiaries of the Group, and relate to licenses. Intangible assets are amortized on a straight line basis over a period of three years and recognized under admin expenses in the profit or loss account.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible assets

The Group

	Land and buildings Leasehold	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020	296,127	832,563	56,828	1,185,518
Additions	-	28,560	-	28,560
Disposals	-	(5,693)	-	(5,693)
At 31 March 2021	296,127	855,430	56,828	1,208,385
Depreciation				
At 1 April 2020	267,723	634,479	43,876	946,078
Charge for the year	2,522	56,003	3,238	61,763
On disposals	-	(2,971)	-	(2,971)
At 31 March 2021	270,245	687,511	47,114	1,004,870
Net book value				
At 31 March 2021	25,882	167,919	9,714	203,515
At 31 March 2020	28,404	198,084	12,952	239,440

The Company

	Leasehold improve- ments	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	26,328	72,837	34,429	133,594
Additions	-	1,634	-	1,634
Disposals	-	(3,337)	-	(3,337)
At 31 March 2021	26,328	71,134	34,429	131,891
Depreciation				
At 1 April 2020	26,328	47,436	31,693	105,457
Charge for the year	-	6,520	705	7,225
On disposals	-	(2,382)	-	(2,382)
At 31 March 2021	26,328	51,574	32,398	110,300
Net book value				
At 31 March 2021	-	19,560	2,031	21,591
At 31 March 2020	-	25,401	2,736	28,137

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments

The Group

	Unlisted	Total
	£	£
Cost and net book value		
At 1 April 2020	60	60
Disposal	-	-
	<hr/>	<hr/>
At 31 March 2021	60	60
	<hr/>	<hr/>

The Company

	Shares in subsidiary undertakings	Total
	£	£
Cost		
At 1 April 2020	6,375,970	6,375,970
Addition	36,650	36,650
	<hr/>	<hr/>
At 31 March 2021	6,412,620	6,412,620
	<hr/>	<hr/>
Provisions for diminution in value		
At 1 April 2020	4,864,777	4,864,777
Reversal for the year	(341,561)	(341,561)
	<hr/>	<hr/>
At 31 March 2021	4,523,216	4,523,216
	<hr/>	<hr/>
Net book value		
At 31 March 2021	1,889,404	1,889,404
	<hr/>	<hr/>
At 31 March 2020	1,511,193	1,511,193
	<hr/>	<hr/>

Please refer to note 28 for the complete list of subsidiaries.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Current asset investments and other financial assets

	01-Apr-20 to 31-Mar-21 £	01-Apr-19 to 31-Mar-20 £
The Group		
Current asset investment		
Financial assets designated as fair value through profit or loss	24,073,564	11,081,198
	<u>24,073,564</u>	<u>11,081,198</u>
Trade Debtors	5,273,720	1,269,418
Cash at bank and in hand	6,150,725	6,287,365
	<u>6,150,725</u>	<u>6,287,365</u>
Other financial liabilities		
Trade creditors	2,502,307	3,023,229
	<u>2,502,307</u>	<u>3,023,229</u>
	01-Apr-20 to 31-Mar-21 £	01-Apr-19 to 31-Mar-20 £
The Company		
Current asset investment		
Financial assets designated as fair value through profit or loss	7,065,655	1,763,419
	<u>7,065,655</u>	<u>1,763,419</u>
Trade Debtors	258,565	172,996
Cash at bank and in hand	1,166,939	976,465
	<u>1,166,939</u>	<u>976,465</u>
Other financial liabilities		
Trade creditors	1,548,832	894,291
	<u>1,548,832</u>	<u>894,291</u>

Investments in debt, equity securities and units of collective investments scheme

The fair value of financial assets at fair value through profit or loss, is determined by reference to their quoted price at the balance sheet date. The fair value of investment in collective investment scheme is determined by the net asset statement issued by the independent administrator.

Trade Debtors are recognised at the net realisable after the provision if any required for the bad debts.

Derivative financial instruments

The fair value of derivative contracts is based on their listed market price.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Debtors	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
The Group		
Trade debtors	5,273,720	1,269,418
Other debtors	11,283,038	13,006,564
Prepayments and accrued income	105,169	160,160
Deferred tax asset (see note 19)	1,750,162	2,308,477
	<u>18,412,089</u>	<u>16,744,619</u>
	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
The Company		
Trade debtors	258,565	172,996
Other debtors	1,322,438	1,841,737
Prepayments and accrued income	3,827	54,638
Deferred Tax Asset (see note 19)	1,742,179	2,307,746
	<u>3,327,039</u>	<u>4,377,117</u>
17 Creditors: amounts falling due within one year	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
The Group		
Trade creditors	2,502,307	3,023,229
Other Borrowings	111,850	-
Bank loans and overdrafts	1,262,993	984,305
Corporation tax	545,724	361,369
Other taxes and social security costs	1,238,842	406,239
Accruals and deferred income	1,815,093	1,727,139
	<u>7,476,809</u>	<u>6,502,281</u>
	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
The Company		
Trade creditors	1,548,832	894,291
Bank loans and overdrafts	1,262,993	984,305
Other taxes and social security costs	78,100	32,302
Accruals and deferred income	378,410	100,455
	<u>3,238,073</u>	<u>2,011,353</u>

The loans are secured by fixed and floating charges over the company's proprietary investment assets.

ELARA CAPITAL PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18	Loans and Advances	Year ended 31 Mar 2021	Year ended 31 Mar 2020
	The Group		
	Short term advances	31,863	35,440

19 Deferred taxation

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

The deferred tax asset (included in debtors, note 16) is made up as follows:

The Group	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
Balance at 1 April 2020	(2,308,477)	(930,225)
Profit and loss account	558,315	(1,378,252)
Balance at 31 March 2021	(1,750,162)	(2,308,477)
The Company	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
Balance at 1 April 2020	(2,307,746)	(459,090)
Profit and loss account	565,567	(1,848,656)
Balance at 31 March 2021	(1,742,179)	(2,307,746)

The deferred tax asset set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Employee benefits

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £30,405 (2020 - £24,727).

21	Share capital	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
	Ordinary share capital		
	Issued and fully paid		
	5,250,000 Ordinary Shares of 1p each	52,500	52,500
	1,443,750 Compulsory Convertible non-cumulative preference shares of INR100 each	1,537,831	1,537,831
		1,590,331	1,590,331

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

22 Control

The ultimate controlling party is Mr.R Bhatt, a director who holds 57.62% (31st March 2020: 57.62%) of the issued and fully paid shares.

23 Capital Management Policy

Each entity within the Group has a requirement to maintain a certain level of capital adequacy. It achieves this objective by regularly monitoring the Company's management information and as per the methods prescribed by the Company's regulator in the respective jurisdiction where the entity is based and when necessary, corrective action is taken as appropriate. The Group has reviewed its Internal Capital Adequacy Assessment Process (ICAAP) document for the year ended 31 March 2021 to ensure adherence to the all regulatory requirements. This document is available for viewing at Company's registered office 248a, Marylebone Road, London, NW1 6JZ, UK.

24 Financial commitments

The annual commitment on the operating lease is £127,563 for the London office. Under the terms of the lease the Company has a commitment to restore the premises to their original condition prior to leaving.

The annual commitment on the operating lease for the subsidiary companies is £431,540 (2020: £420,967), and these are charged to the profit and loss account on a straight line basis over the period of the lease.

The Group had commitments in respect of office premises under non-cancellable commitments for land and buildings operating leases set out below:

The Group	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
Within one year	447,767	584,952
Two to five years	460,626	894,527
After five years	-	-

Rent expense for the year ended March 31, 2021 was £598,773 (2020: £683,044).

The Company	Year ended 31 Mar 2021 £	Year ended 31 Mar 2020 £
Within one year	153,252	163,985
Two to five years	191,050	229,260
After five years	-	-

Rent expense for the year ended March 31, 2021 was £167,233 (2020: £200,492) including the rent paid for Dubai office.

Elara Capital Plc has provided a guarantee of INR 30,000,000 (approximately £296,850) to ICICI Bank Ltd, India via an arrangement letter dated 6th October 2020 in favour of Elara Securities (India) Pvt Ltd for a future and option margin limit. This facility provides Elara Securities (India) Pvt Ltd to execute high value trades.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

25 Related party transactions

During the year the company has following related parties transactions:

	2021	2020
From a director – fee paid	£10,000	£10,000
Due from entity controlled by directors – interest charged at 5% pa	£881,847	£1,392,689
Referral Fee to Elara Securities Inc	£94,660(\$128,276)	£68,836(\$87,500)
Referral Fee to Elara Capital (Asia) Pte Ltd	£72,310(\$100,000)	Nil
Interest to Elara Capital (Mauritius) Ltd	Nil	£72,294 (US\$83,688 and £4,512)
Brokerage Charged to Elara Capital (Mauritius) Ltd	£2,637(\$3,445)	Nil
Interest on loan to Director	£166	Nil

26 Creditors: amounts falling due after more than one year

	Year ended 31 Mar 2021	Year ended 31 Mar 2020
The Group		
Compulsory convertible debentures	7,126,557	7,126,557

Elara Finance (India) Private Limited issued 655,800 11% compulsory convertible debentures with face value of INR1000 each during the year to Elara India Opportunities Fund Ltd.

27 Provisions for liabilities

	Year ended 31 Mar 2021	Year ended 31 Mar 2020
The Group		
Compulsory convertible debentures	22,332	29,160

Elara Finance (India) Private Limited provided an amount of INR 2,256,937 (2020: INR 2,727,302) as provision for Standard Assets as per the Companies Act in India applicable to Non-Banking Financial Company.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

28 Related undertakings

Details of the Company's subsidiaries as at 31 March 2021 are as follows:

Name of undertaking	Registered Address	Nature of business	Class of shareholding	% Held	
				Direct	Indirect
Elara Capital (India) Private Ltd	Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai-400 013, India	Investment Banking	Ordinary	100	
Elara Securities (India) Private Ltd	Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai-400 013, India	Broking	Ordinary		100
Elara Finance (India) Private Limited	Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai-400 013, India	Non-Banking Financial Services	Ordinary		100
Elara Story teller Advisory Private Limited	Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai-400 013, India	Investment Manager	Ordinary		100
Elara Wealth Investment Advisors (India) Private Limited	Indiabulls Finance Centre, Tower 3, 21st Floor, Senapati Bapat Marg, Elphinstone Road West, Mumbai-400 013, India	Investment Advisory	Ordinary		100
Elara Capital (Mauritius) Limited	365, Royal Road, Rose Hill, Mauritius, 71366	Investment Advisory	Ordinary	100	
Elara Asset Management Limited	4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.	Investment Advisory	Ordinary	100	
Elara Capital Singapore Pte Limited	30, Raffles Place, # 20-03 Chevron House, Singapore-048622	Broking	Ordinary	100	
Elara Capital (Asia) Pte. Ltd	30, Raffles Place, # 20-03 Chevron House, Singapore-048622	Investment Banking	Ordinary	100	
Elara Capital Inc	950 Third Avenue, Suite 1903, New York, NY 10022, USA	Investment Advisory	Ordinary	100	
Elara Securities Inc	950 Third Avenue, Suite 1903, New York, NY 10022, USA	Broker/ Dealer	Ordinary		100

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

28 Related undertakings

Details of the Company's interest in other related undertakings as at 31 March 2021 are as follows:

Name of undertaking	Registered Address	Class of Holding	% Held
Oyster Bay Fund Limited	20 Reid Street, 3rd Floor, Williams House, Hamilton HM11, Bermuda Island of Bermuda	Management-Indirect	100
Amalthea Global Fund Limited	20 Reid Street, 3rd Floor, Williams House, Hamilton HM11, Bermuda Island of Bermuda	Management-Indirect	100
Elara Fixed Income Fund	20 Reid Street, 3rd Floor, Williams House, Hamilton HM11, Bermuda Island of Bermuda	Management-Indirect	100
Elara Global Funds- Elara Emerging Markets Fund	4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.	Management-Indirect	100
Elara India Opportunities Fund Limited	4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.	Management-Indirect	100
Vespera Fund Limited	4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.	Management-Indirect	100
Elara Diversified Income Fund	4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.	Management-Indirect	100
Pangaea Fund Limited	Cricket Square, Hutchins Drive, PO BOX 2681, Grand Cayman, KY1-1111, Cayman Islands	Management-Indirect	100
Astraea Fund	365, Royal Road, Rose Hill, Mauritius, 71366	Management-Indirect	100

29 Subsequent Events

There are no subsequent events to report which has an impact on the Going Concern assessment of the Group and the Company.