

Edel Finance Company Limited

Financial Statements
together with Auditors' Report
for the year ended 31 March 2015

Edel Finance Company Limited

Financial statements together with Auditors' Report *for the year ended 31 March 2015*

Contents

Auditors' Report

Balance sheet

Statement of profit and loss

Cash flow statement

Notes to the financial statements

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
EDEL FINANCE COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **EDEL FINANCE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding 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 control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

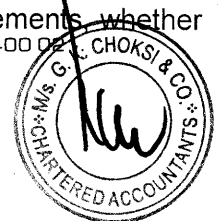
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

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'Surya Bhavan', Station Road, **PETLAD** - 388 450. Dial : 91-2697-224108



due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure, a statement of the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.



- (f) 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 and to our best of our information and according to the explanations given to us :
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2.21 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

Rohit Choksi

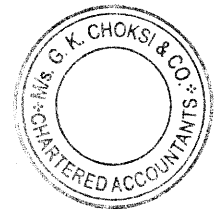
ROHIT K. CHOKSI

Partner

Mem. No. 31103

Place : Mumbai

Date : 12th May, 2015



Annexure to the Auditors' Report

(Referred to in our Report of even date to the members of Edel Finance Company Limited)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The nature of operations of the company is such that company does not require to hold inventory. Accordingly the clauses 3(ii)(a) to (c) of the order are not applicable.
- (iii) As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013;
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, in respect of purchase of fixed assets and rendering of services. The Company's business does not entail sale of goods, as such. Further we have not come across nor have we been informed of any instance of major weakness in the internal control procedures.
- (v) The Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) Maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the class of companies to which the Company belongs.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities. Apart from this, the Company has no arrears of such outstanding statutory dues as at 31st March, 2015 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the Company has no unpaid disputed outstanding statutory dues as at 31st March, 2015.
- (c) According to the information and explanations given to us, there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The Company does not have any accumulated losses as at 31st March, 2015, and has not incurred any cash loss during the year under review or in the immediately preceding financial year.



- (ix) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders during the year.
- (x) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) According to the information and explanation given to us, the Company has not obtained any term loans during the year.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

Rohit Choksi

ROHIT K. CHOKSI

Partner

Mem. No. 31103

Place : Mumbai

Date : 12th May, 2015



Edel Finance Company Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2015	As at 31 March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2.1	4,000,000	4,000,000
(b) Reserves and surplus	2.2	34,449,302	34,544,299
		<u>38,449,302</u>	<u>38,544,299</u>
(2) Non-current liabilities			
(a) Long-term provisions	2.3	26,850	24,000
(3) Current liabilities			
(a) Short-term borrowings	2.4	21,971,157	744,713,448
(b) Trade payables	2.5	3,859,934	1,298,873
(c) Other current liabilities	2.6	4,124,437	9,217,442
(d) Short-term provisions	2.7	85,914	1,853,590
TOTAL		<u><u>68,517,594</u></u>	<u><u>795,651,652</u></u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.8	2,828,737	4,624,590
(b) Deferred tax assets (net)	2.9	435,522	1,080,425
(c) Long-term loans and advances	2.10	15,823,298	12,772,204
		<u>19,087,557</u>	<u>18,477,219</u>
(2) Current assets			
(a) Trade receivables	2.11	-	516,652
(b) Cash and bank balances	2.12	7,815,003	22,889,472
(c) Short-term loans and advances	2.13	41,365,034	751,681,451
(d) Other current assets	2.14	250,000	2,086,858
		<u>49,430,037</u>	<u>777,174,433</u>
TOTAL		<u><u>68,517,594</u></u>	<u><u>795,651,652</u></u>

Significant accounting policies and notes to financial statements

1 & 2

As per our report of even date attached.

For G. K. Choksi & Co.

Chartered Accountants

Firm's Registration No. 101895W

Rohit K. Choksi

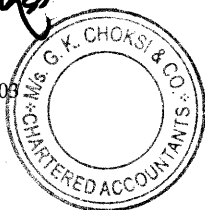
Rohit K. Choksi

Partner

Membership No: 31109

Mumbai

12 May 2015



For and on behalf of the Board of Directors

Tarun Khurana

Tarun Khurana

Director

DIN : 03280026

Mumbai

12 May 2015

Kulbir Singh Rana

Kulbir Singh Rana

Director

DIN : 03280892

Edel Finance Company Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
I. Revenue from operations			
Interest income	2.15	36,004,943	96,610,437
Other operating revenue	2.16	1,313,405	219,106
II. Other income	2.17	285	65
III. Total Revenue		37,318,633	96,829,608
IV. Expenses			
Employee benefit expenses	2.18	7,905,502	9,420,991
Finance costs	2.19	25,507,574	66,891,210
Depreciation and amortization expenses	2.8	1,859,518	390,191
Other expenses	2.20	1,495,669	3,671,165
Total Expenses		36,768,263	80,373,557
V. Profit before tax		550,370	16,456,051
VI. Tax expense:			
(1) Income tax		465	3,335,000
(2) MAT credit entitlement		-	(3,084,110)
(3) Deferred tax charge		644,902	5,041,237
VII. (Loss)/ Profit for the year		(94,997)	11,163,924
VIII. Earnings per equity share:			
Basic and diluted earnings per share (Rs.) (Face value of Rs. 100 each)	2.22	(2.37)	279.10
Significant accounting policies and notes to financial statements	1 & 2		

As per our report of even date attached.

For G. K. Choksi & Co.

Chartered Accountants

Firm's Registration No. 101895W

Rohit K. Choksi

Partner

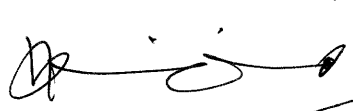
Membership No: 31103

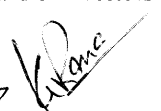
Mumbai

12 May 2015



For and on behalf of the Board of Directors


Tarun Khurana
Director
DIN : 03280026
Mumbai
12 May 2015


Kulbir Singh Rana
Director
DIN : 03280892
Mumbai
12 May 2015

Edel Finance Company Limited

Cash Flow Statement

(Currency : Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
A Cash flow from operating activities		
Profit before taxation	550,370	16,456,051
Adjustments for		
Depreciation	1,859,518	390,191
Provision on standard assets	(1,764,825)	214,590
Operating cash flow before working capital changes	645,063	17,060,832
Add / (less): Adjustments for working capital changes		
Decrease/ (increase) in receivables from financing business	709,831,850	(86,647,748)
Decrease/ (increase) in trade receivables	516,652	(516,652)
Decrease/ (increase) in loans and advances	895,735	(230,508)
Decrease/ (increase) in other assets	1,836,858	(734,533)
(Decrease)/ increase in liabilities and provisions	(2,531,944)	7,611,137
Cash used in operations	711,194,214	(63,457,472)
Income taxes paid	3,462,727	9,442,192
Net cash used in operating activities - A	707,731,487	(72,899,664)
B Cash flow from investing activities		
Purchase of fixed assets	(63,665)	(5,014,781)
Net cash used in investing activities - B	(63,665)	(5,014,781)
C Cash flow from financing activities		
(Repayment)/ proceeds from unsecured loan (refer note below)	(722,742,291)	91,597,448
Net cash generated from financing activities - C	(722,742,291)	91,597,448
Net increase in cash and cash equivalents (A+B+C)	(15,074,469)	13,683,003
Cash and cash equivalent as at the beginning of the year	22,889,472	9,206,469
Cash and cash equivalent as at the end of the year (refer note 2.12)	7,815,003	22,889,472

Note:

Net figures have been reported on account of volume of transactions.

As per our report of even date attached.

For G. K. Choksi & Co.
Chartered Accountants
Firm's Registration No. 101895W

Rohit K. Choksi
Rohit K. Choksi
Partner
Membership No: 31103
Mumbai
12 May 2015



For and on behalf of the Board of Directors

Tarun Khurana

Tarun Khurana
Director
DIN : 03280026

Mumbai
12 May 2015

Kulbir Singh Rana

Kulbir Singh Rana
Director
DIN : 03280892

Edel Finance Company Limited

Notes to the financial statements for the year ended 31 March 2015

(Currency: Indian rupees)

1. *Significant accounting policies*

1.1 *Basis of preparation of financial statements*

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter together referred to as 'the Act') and the Schedule III to the Act and circulars and guidelines issued by the Reserve Bank of India ('RBI'). The financial statements are presented in Indian rupees.

The Company being a NBFC registered with RBI follows the guidelines issued by the RBI, in respect of income recognition, provisioning for non-performing assets.

1.2 *Use of estimates*

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues, expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 *Current and Non-current classification*

All assets and liabilities are classified into current and non-current *Assets*

An asset is classified as current when it satisfies any of the following criteria:

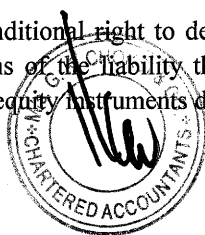
- It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the company's normal operating cycle.
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.



Edel Finance Company Limited

Notes to the financial statements (Continued) for the year ended 31 March 2015

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.3 Current and Non-current classification (Continued)

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

1.4 Revenue recognition

- (i) Interest income is recognised on accrual basis except in case of non-performing assets ('NPAs'), wherein it is accounted on realisation, as per RBI guidelines.
- (ii) Processing and other fee income is accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.

1.5 Fixed assets and depreciation

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided on a written down value basis from the date the asset is ready to use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule for calculating the depreciation. The useful lives of the fixed assets are as follows:

Nature of assets	Useful Life
Office equipment	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortized on a straight-line basis over the estimated useful lives of the assets or the period of lease whichever is earlier.

1.6 Employee benefits

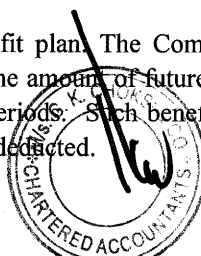
The accounting policy followed by the company in respect of its employee benefit schemes in accordance with Accounting Standard 15 (revised 2005), is set out below:

Provident fund

The Company contributes to a recognized provident fund which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.



Edel Finance Company Limited

Notes to the financial statements (*Continued*) for the year ended 31 March 2015

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.6 Employee benefits (*Continued*)

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Benefits in respect of funded gratuity are funded with an Insurance Company approved by Insurance Regulatory and Development Authority (IRDA).

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

1.7 Taxation

Tax expense comprises income tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Income tax

Provision for income tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred taxation

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

1.8 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earnings Per Share. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding for the year.



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.8 Earnings per share (*Continued*)

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at year end.

1.9 Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

1.10 Provisioning on receivables from financing business

Provision for non-performing assets is based on the management's assessment of the degree of impairment of the loan asset and the level of provisioning required as per the prudential norms prescribed by the Reserve Bank of India.

Provisions against standard assets are made on the basis of prudential norms prescribed by the Reserve Bank of India.



Edel Finance Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.1 Share capital		
Authorised:		
40,000 (Previous year: 40,000) Equity Shares of Rs. 100 each	4,000,000	4,000,000
Issued, Subscribed and Paid up:		
40,000 (Previous year: 40,000) Equity Shares of Rs. 100 each, fully paid-up	4,000,000	4,000,000
	4,000,000	4,000,000

(All the above equity Shares of Rs. 100 each are held by Edelweiss Broking Limited, the holding company and its nominees)

Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

	As at March 31, 2015		As at March 31, 2014	
	Number of shares	Percentage shareholding	Number of shares	Percentage shareholding
Equity Shares of Rs. 100 each fully paid				
Edelweiss Financial Advisors Limited#	-	-	40,000	100
Edelweiss Broking Limited*	40,000	100		
	40,000	40,000	40,000	40,000

* including 6 shares held by Nominees of Edelweiss Broking Limited

a. Reconciliation of number of shares outstanding:

Number of shares outstanding at the beginning	40,000	40,000
Shares issued during the year	-	-
Number of shares at the end	40,000	40,000

b. Reconciliation of Share Capital:

Share Capital at the beginning of the year	4,000,000	4,000,000
Share Capital issued during the year	-	-
Share Capital at the end of the year	4,000,000	4,000,000

c. Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs 100 each. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders

#Pursuant to the Scheme of Arrangement in the nature of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, as approved by the Hon'ble High Court of Gujarat at Ahmedabad, Edelweiss Financial Advisors Limited has been merged with Edelweiss Broking Limited effective December 9, 2014. Therefore, in terms of the said Order, the Company became the wholly-owned subsidiary of Edelweiss Broking Limited.

2.2 Reserves and surplus

Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934, of India - Opening balance	8,791,903	6,559,118
Add : Additions during the year	-	2,232,785
Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934, of India	8,791,903	8,791,903
Surplus in statement of profit and loss		
Opening balance in Statement of profit and loss	25,752,396	16,821,257
Add: (Loss)/ profit for the year	(94,997)	11,163,924
Amount available for appropriation	25,657,399	27,985,181
Appropriations:		
Transfer to Special Reserve under Section 45-IC of the Reserve	-	2,232,785
Closing Balance in Statement of Profit and Loss	25,657,399	25,752,396
	34,449,302	34,544,299

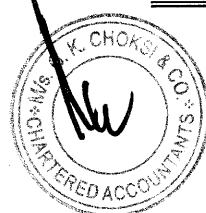


Edel Finance Company Limited

Notes to the financial statements (Continued)

Currency : Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term provisions		
Provision for employee benefits		
Compensated absense	26,000	24,000
Others		
Provision for standard assets	850	-
	<u>26,850</u>	<u>24,000</u>
2.4 Short-term borrowings		
<u>Unsecured</u>		
Loans and advances from related parties (repayable on demand at variable rate of interest)	21,971,157	744,713,448
	<u>21,971,157</u>	<u>744,713,448</u>
2.5 Trade payables		
Trade payables (includes sundry creditors, provision for expenses, customer payables)	3,859,934	1,298,873
	<u>3,859,934</u>	<u>1,298,873</u>
2.6 Other current liabilities		
Interest accrued and due on borrowings	220,702	2,357,840
Income received in advance	110,784	-
Other payables		
Accrued salaries and benefits	2,960,804	2,209,804
Withholding taxes, service tax and other statutory dues payable	572,147	1,489,237
Book overdraft	-	3,149,561
Others	260,000	11,000
	<u>4,124,437</u>	<u>9,217,442</u>
2.7 Short-term provisions		
Provision for employee benefits		
Compensated absense	12,000	14,000
Others		
Provision for standard assets	73,914	1,839,590
	<u>85,914</u>	<u>1,853,590</u>



Edel Finance Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2.8 Fixed assets

Description of Assets	Gross Block				Depreciation				Net Block	
	As at 1 April 2014	Additions during the year	Deductions during the year	As at 31 March 2015	As at 1 April 2014	Additions during the year	Deductions during the year	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Tangible assets										
Office equipment	-	10,665	-	10,665	-	1,447	-	1,447	9,218	-
Computers	5,014,781	53,000	-	5,067,781	390,191	1,858,071	-	2,248,262	2,819,519	4,624,590
Grand Total [A+B]	5,014,781	63,665	-	5,078,446	390,191	1,859,518	-	2,249,709	2,828,737	4,624,590
Previous Year	-	5,014,781	-	5,014,781	-	390,191	-	390,191	4,624,590	



Edel Finance Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.9 Deferred taxes (net)		
Deferred tax assets		
Disallowances under section 43B of the Income Tax Act, 1961	467,180	12,329
Provision for standard assets / non performing assets	24,719	596,855
Accumulated Losses	404,390	832,757
	<hr/> 896,289	<hr/> 1,441,941
Deferred tax liabilities		
Difference between book and tax depreciation	460,767	361,516
	<hr/> 460,767	<hr/> 361,516
	<hr/> 435,522	<hr/> 1,080,425
2.10 Long-term loans and advances		
<u>Secured</u>		
Receivable from financing business		
- considered good	340,092	1,240,592
Other deposits	25,000	25,000
Other loans and advances		
Prepaid expenses	-	1,322
Advance income taxes	15,458,206	11,505,290
(net of provision for taxation of Rs. 14,329,221 (Previous year : 17,664,221))		
	<hr/> 15,823,298	<hr/> 12,772,204
2.11 Trade receivables		
Other debts		
Unsecured, considered good	-	516,652
	<hr/> -	<hr/> 516,652
Provision for doubtful debts	-	-
	<hr/> -	<hr/> 516,652
2.12 Cash and bank balances		
Balances with banks		
- in Current accounts	7,815,003	22,889,472
	<hr/> 7,815,003	<hr/> 22,889,472



Edel Finance Company Limited

Notes to the financial statements (Continued)

Currency : Indian rupees)

	As at 31 March 2015	As at 31 March 2014
.13 Short-term loans and advances		
<u>Secured</u>		
Receivable from financing business		
- considered good	26,815,898	736,647,748
	<u>26,815,898</u>	<u>736,647,748</u>
Other loans and advances		
Advances to others	2,500,000	2,500,000
Prepaid expenses	22,032	-
Vendor Advances	37,472	5,025
Input tax credits	2,761,794	2,633,185
Advance income taxes	6,143,729	6,634,383
(net of provision for taxation of Rs. 3,335,465 (Previous year: Nil))		
MAT credit entitlement	3,084,110	3,084,110
Advances recoverable in cash or in kind or for value to be received	-	177,000
	<u>14,549,136</u>	<u>15,033,703</u>
	<u>41,365,034</u>	<u>751,681,451</u>
.14 Other current assets		
Accrued interest on loans given	250,000	2,086,858
	<u>250,000</u>	<u>2,086,858</u>



Edel Finance Company Limited

Notes to the financial statements (Continued)

Currency : Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
.15 Interest Income		
On loan	35,596,192	96,179,074
On Others	408,751	431,363
	<u>36,004,943</u>	<u>96,610,437</u>
.16 Other operating revenue		
Lease Rental Income	1,313,405	219,106
	<u>1,313,405</u>	<u>219,106</u>
.17 Other income		
Miscellaneous income	285	65
	<u>285</u>	<u>65</u>



Edel Finance Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.18 Employee benefit expenses		
Salaries and wages	7,555,947	8,224,545
Contribution to provident and other funds (refer note 2.23)	349,555	1,196,251
Staff welfare expenses	-	195
	<u>7,905,502</u>	<u>9,420,991</u>
2.19 Finance costs		
Interest on loan from holding company	9,897,160	57,971,928
Interest on loan from fellow subsidiaries	15,609,912	8,916,906
Interest - others	-	225
Financial and bank charges	502	2,151
	<u>25,507,574</u>	<u>66,891,210</u>
2.20 Other expenses		
Auditors' remuneration (refer note 2.25)	137,500	125,000
Communication	59,380	211,290
Computer expenses	4,135	2,600
Clearing & custodian charges	1,125	-
Directors' sitting fees	20,000	-
Electricity charges (refer note 2.27)	222,640	231,373
Insurance	62,835	2,098
Legal and professional fees	288,985	194,044
Membership and subscription	725,000	25,000
Office expenses	52,046	5,142
Printing and stationery	4,411	2,915
Provision for standard assets	(1,764,825)	214,590
Rates and taxes	9,017	4,500
Rent (refer note 2.27)	1,492,024	2,341,351
ROC Expenses	7,040	-
Service tax expenses	135,776	218,658
Travelling and conveyance	38,580	92,604
	<u>1,495,669</u>	<u>3,671,165</u>



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.21 Contingent liabilities and commitments

(a) Contingent liabilities

Taxation matters in respect of which appeal is pending – Nil (Previous year: Rs. 32,338).

(b) Capital commitments

The Company has no capital commitments as at the balance sheet date (Previous year: Rs. Nil).

2.22 Earnings per share:

In accordance with Accounting Standard 20 on “Earnings per Share”, the computation of earnings per share is set out below:

Particulars	2015	2014
a) Shareholders earnings (as per statement of profit and loss)	(94,997)	11,163,924
b) Calculation of weighted average number of equity shares of Rs 100 each:		
– Number of shares at the beginning of the year	40,000	40,000
– Number of shares issued during the year	Nil	Nil
Total number of equity shares outstanding at the end of the year	40,000	40,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	40,000	40,000
c) Basic and diluted earnings per share (in rupees) (a/b)	(2.37)	279.10

The basic and diluted earnings per share are the same as there are no dilutive potential equity shares.

2.23 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits

(a) Defined contribution to provident fund, employee state insurance fund and employees death linked insurance

Amount of Rs. 279,555 (Previous year: Rs. 176,364) is recognised as expenses in “Employee benefit expenses” – Note 2.18 in the statement of profit and loss.

(b) Defined benefit plans (Gratuity)

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan.



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.23 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (*Continued*)

Particulars	2015	2014
Changes in the present value of obligation		
Present value of obligation (opening)	239,000	21,174
Transfer (out)/ in	(60,000)	166,000
Interest cost	16,000	15,000
Current service cost	45,000	58,827
Benefits paid	-	-
Actuarial gain	(69,000)	(22,000)
Present value of obligation (closing)	171,000	239,000
Changes in the fair value of plan assets		
Present value of plan assets (opening)	1,268,000	1,207,000
Expected return on plan assets	102,000	96,000
Employers contributions	10,000	-
Benefits paid	-	-
Actuarial gain/ (loss)	166,000	(35,000)
Fair value of plan assets (closing)	1,546,000	1,268,000
Percentage of each category of plan assets to total fair value of plan assets at the year end		
Insurer Managed Funds (Traditional)	16%	17%
Insurer Managed Funds (Unit-linked)	84%	83%
Cash & Bank	0%	0%
Reconciliation of the present value of defined benefit obligation and the fair value of assets		
Present value of funded obligation as at the year end	171,000	239,000
Fair value of plan assets as at year end	1,546,000	1,268,000
Funded (asset)/ liability recognised in the balance sheet	(1,375,000)	(1,029,000)
Present value of unfunded obligation as at the year end	-	-
Unfunded net liability recognised in the balance sheet	-	-
Amount recognised in the balance sheet		
Present value of obligation as at the year end	171,000	239,000
Fair value of plan assets as at the year end	1,546,000	1,268,000
Net Asset recognised in the balance sheet	(1,375,000)	(1,029,000)
Less: Effect of the limit in paragraph 59(b)	1,375,000	1,029,000
(Asset)/ liability recognised in the balance sheet	-	-
- Current (asset)/ liability	-	-
- Non-current liability	-	-



Edel Finance Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

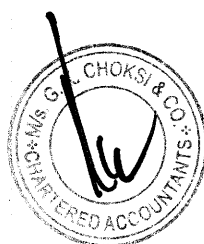
2.23 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (Continued)

Particulars	2015	2014
Expenses recognised in the statement of profit and Loss		
Current service cost	45,000	59,000
Interest cost	16,000	15,000
Expected return on plan assets	(102,000)	(96,000)
Effect of the limit in paragraph 59b	346,000	1,029,000
Net actuarial (gain)/ loss	(235,000)	13,000
Total expenses recognised in the statement of profit and loss	70,000	1,020,000
Experience adjustments		
Defined Benefit obligation	171,000	239,000
Fair Value of plan assets	1,546,000	1,268,000
Surplus	1,375,000	1,029,000
Experience adjustment on plan liabilities: gain	(79,000)	(16,000)
Experience adjustment on plan assets: gain/ (loss)	166,000	(35,000)
Principal actuarial assumption		
Rate of discounting	7.80%	8.70%
Expected return on plan assets	8.00%	8.00%
Annual increase in salary costs	7.00%	6.00%
Attrition rate	60% at junior level reducing to 13% at senior level	60% at junior level reducing to 13% at senior level

2.24 Disclosure of Related parties as required under AS-18 – “Related Party Disclosure”

- (A) **Names of related parties by whom control is exercised**
- | | |
|---|--------------------------|
| Edelweiss Financial Services Limited | Ultimate holding company |
| Edelweiss Broking Limited (from December 9, 2014) | Holding company |
| Edelweiss Financial Advisors Limited* (upto December 9, 2014) | Holding company |
- (B) **Fellow subsidiaries with whom transactions have taken place during the year**
- Edelweiss Commodities Services Limited
 - Edelweiss Web Services Limited
 - Edelweiss Securities Limited
 - Edelweiss Tokio Life Insurance Company Limited
 - Edelweiss Custodial Services Limited
 - ECL Finance Limited

*Edelweiss Financial Advisors Limited has been merged with Edelweiss Broking Limited effective December 9, 2014.



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

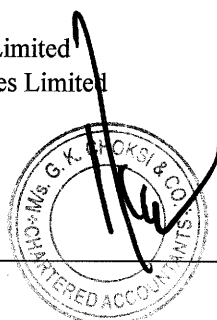
for the year ended 31 March 2015

(Currency: Indian rupees)

2.24 Disclosure of Related parties as required under AS-18 – “Related Party Disclosure” (*Continued*)

(C) Transactions with related parties:

Nature of Transaction	Related Party Name	2015	2014
Capital account transactions during the year			
Short term loans taken from	Edelweiss Financial Services Limited	846,634,675	130,717,447
	Edelweiss Commodities Services Limited	-	650,000,000
Short term loans repaid to	Edelweiss Financial Services Limited	919,876,966	585,923,999
	Edelweiss Commodities Services Limited	649,500,000	-
	ECL Finance Limited	-	103,196,000
Current account transactions during the year			
Interest income on finance lease from	Edelweiss Securities Limited	158,751	171,961
Lease rental income from	Edelweiss Tokio Life Insurance Company Limited	1,313,405	219,106
Interest paid on loan to	Edelweiss Financial Services Limited	9,897,160	57,971,928
	Edelweiss Commodities Services Limited	15,609,912	1,023,973
	ECL Finance Limited	-	7,892,933
Electricity expenses paid to	Edelweiss Commodities Services Limited	222,640	231,373
Insurance expenses paid to	Edelweiss Financial Services Limited	44,428	-
Rent paid to	Edelweiss Commodities Services Limited	1,492,024	2,341,351
Processing fees paid to	Edelweiss Web Services Limited	7,430	3,250
Balances with related parties			
Short term loans taken from	Edelweiss Financial Services Limited	21,471,157	94,713,448
	Edelweiss Commodities Services Limited	500,000	650,000,000
Trade payables to	Edelweiss Commodities Services Limited	1,918,259	-
	Edelweiss Web Services Limited	7,606	179,695
	Others	75,394	-
Lease rental income received in advance from	Edelweiss Tokio Life Insurance Company Limited	110,784	-
Accrued interest expense accrued on loan taken from	Edelweiss Financial Services Limited	217,724	1,389,461
	Edelweiss Commodities Services Limited	2,978	921,576
	Others	-	46,803
Directors nomination deposit received from	Edelweiss Broking Limited	200,000	-



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.24 Disclosure of Related parties as required under AS-18 – “Related Party Disclosure” (*Continued*)

(C) Transactions with related parties (*Continued*):

Nature of Transaction	Related Party Name	2015	2014
Other payables to	ECL Finance Limited	28,000	-
	Edelweiss Custodial Services Limited	-	11,000
Long term loans given to	Edelweiss Securities Limited	340,092	1,240,592
Trade receivables from	Edelweiss Securities Limited	-	297,546
	Edelweiss Tokio Life Insurance Company Limited	-	219,106
Short term loans given to	Edelweiss Securities Limited	900,500	811,841
Other advances recoverable from	Edelweiss Financial Services Limited	-	89,000
	Edelweiss Web Services Limited	-	88,000

2.25 Auditors' remuneration

Particulars	As at 31 March 2015	As at 31 March 2014
As auditors	137,500	125,000
Total	137,500	125,000

2.26 Foreign currency transactions

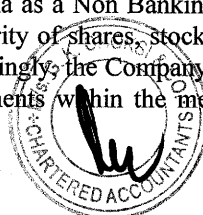
The Company has not earned/ incurred any income/ expenditure in foreign currency during the year.

2.27 Cost sharing

Edelweiss Commodities Services Limited, the fellow subsidiary company, incurs expenditure towards rent & utilities which is for the common benefit of itself & other fellow subsidiaries including Edel Finance Company Limited. This cost so expended is reimbursed by Edel Finance Company Limited. Accordingly, and as identified appropriately, the expenditure heads in Note 2.20 are factored with these reimbursements.

2.28 Segment reporting

The Company is registered with the Reserve Bank of India as a Non Banking Financial Company engaged in the business of corporate lending and financing against security of shares, stocks, bonds, debentures or other similar instruments on short, medium and long term basis. Accordingly, the Company was mainly engaged in one business segment and there are no other reportable business segments within the meaning of Accounting Standard 17 – Segment Reporting.





(Currency: Indian rupees)

2.30 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Figures are as at 31 March 2015) (Continued)
(Amount in Rs Lacs)

(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities

(i) Lease assets including lease rentals under sundry debtors:

(a) Financial Lease

(b) Operating Lease

(ii) Stock on hire including hire charges under sundry debtors:

(a) Assets on Hire

(b) Repossessed Assets

(iii) Other loans counting towards AFC activities:

(a) Loans where assets have been repossessed

(b) Loans other than (a) above

(4) Break-up of Investments

Current Investments:

1. Quoted :

(i) Shares : (a) Equity
(b) Preference

(ii) Debentures and Bonds

(iii) Units of Mutual Funds

(iv) Government Securities

(v) Others

2. Unquoted :

(i) Shares : (a) Equity
(b) Preference

(ii) Debentures and Bonds

(iii) Units of Mutual Funds

(iv) Government Securities

(v) Others

Long Term investments :

1. Quoted :

(i) Shares : (a) Equity
(b) Preference

(ii) Debentures and Bonds

(iii) Units of Mutual Funds

(iv) Government Securities

(v) Others

2. Unquoted :


(i) Shares : (a) Equity
(b) Preference

(ii) Debentures and Bonds

(iii) Units of Mutual Funds

(iv) Government Securities

(v) Others



Edel Finance Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.30 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Figures are as at 31 March 2015) (Continued)

(Amount in Rs Lacs)

(5) Borrower group-wise classification of all assets financed as in (2) and (3) above: (Please see Note 2 below)			
Category	Amount (net of provisions)		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	12	-	12
(c) Other related parties	-	-	-
2. Other than related parties	287	-	287
Total	299	-	299
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) (Please see Note 3):			
Category	Market Value / Break-up or fair value or NAV	Book Value (net of provisions)	
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	-	-	-
** As per Accounting Standard of ICAI (Please see Note 3)			
(7) Other information			
Particulars	Amount		
(i) Gross Non-Performing Assets			
(a) Related Party			-
(b) Other than Related Parties			-
(ii) Net Non-Performing Assets			
(a) Related Party			-
(b) Other than Related Parties			-
(iii) Assets acquired in satisfaction of debts			-



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.31 Movements in Non Performing Advances:

The following table sets forth, for the periods indicated, the details of movements of gross non-performing assets (NPAs), net NPAs and provisions:

Particulars	2015	2014
i) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
ii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iii) Movement of Provisions for NPAs (excluding provision on Standard assets)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-

Key Ratios

The following table set forths, for the periods indicated, the key financial ratios.

Particulars	2015	2014
Gross NPAs as a percentage of total advance	0.00%	0.00%
Net NPAs as a percentage of total advance	0.00%	0.00%
Book value per share (Rs.)	950.34	936.60
Current ratio	1.65	1.03
Debt to equity ratio	0.58	19.88
Return on average equity ¹ (%)	-0.24%	35.71%
Return on average assets ² (%)	-0.02%	1.55%

1. Return on average equity is the ratio of the net profit after tax to the quarterly average equity share capital and reserves.
2. Return on average assets is the ratio of the net profit after tax to the quarterly average total assets.

Notes:

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

Edel Finance Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.32 Capital to Risk Assets Ratio (CRAR)

Sr. No.	Particulars	2015	2014
i)	CRAR (%)	107.05	4.94
ii)	CRAR - Tier I capital (%)	106.84	4.71
iii)	CRAR - Tier II Capital (%)	0.21	0.23
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

2.33 Asset Liability Management

As at 31 March 2014		
Particulars	Liabilities Inter Company Loans	Assets Advances
1 day to 30/31 days (one month)	94,713,448	77,700,041
Over one month to 2 months	-	-
Over 2 months to 3 months	649,500,000	-
Over 3 months to 6 months	-	651,563,587
Over 6 months to 1 year	-	5,666,436
Over 1 year to 3 years	-	1,240,592
Over 3 years to 5 years	-	-
Over 5 years	-	-
Total	744,213,448	736,170,656
As at 31 March 2015		
Particulars	Liabilities Inter Company Loans	Assets Advances
1 day to 30/31 days (one month)	6,300,000	216,452
Over one month to 2 months	-	-
Over 2 months to 3 months	-	2,115,398
Over 3 months to 6 months	-	222,134
Over 6 months to 1 year	15,891,859	27,011,914
Over 1 year to 3 years	-	2,40,092
Over 3 years to 5 years	-	-
Over 5 years	-	-
Total	22,191,859	29,805,990

2.34 Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company:

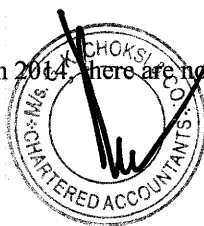
During the year ended 31 March 2015 and 31 March 2014, the company credit exposure to single borrowers and group borrowers were within the limits prescribed by RBI.

2.35 Draw Down from Reserve

During the year ended 31 March 2015 and 31 March 2014, the company has not drawn down from Reserve.

2.36 Details of Sector wise NPAs

During the year ended 31 March 2015 and 31 March 2014, there are no NPA in the Company. Hence Sector wise NPA not shown.



Edel Finance Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.37 Disclosure pursuant to the revised regulatory framework issued by the Reserve Bank of India vide circular RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014, to the extent applicable to the Company.

(i) Exposure to capital market

Sr. No.	Particulars	2015	2014
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented invested in corporate debt;	Nil	Nil
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	28,665,398	738,585,908
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii)	Bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total exposure to capital market		28,665,398	738,585,908

(ii) Break up of 'Provisions and Contingencies' shown under the head expenditure in statement of profit and loss.

Sr. No.	Particulars	2015	2014
(i)	Provisions for depreciation on Investment	-	-
(ii)	Provision towards NPA	-	-
(iii)	Provision made towards Income tax	465	250,890
(iv)	Provision for Standard Assets	74,764	1,839,590
(v)	Other Provision and Contingencies (provision for doubtful debts)	-	-

(iii) Concentration of advances

Particulars	2015	2014
Total advances to twenty largest borrowers	29,905,990	740,638,340
Percentage of advances to twenty largest borrowers to total advances	100%	100%



Edel Finance Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

- 2.37 Disclosure pursuant to the revised regulatory framework issued by the Reserve Bank of India vide circular RBI/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014, to the extent applicable to the Company. (*Continued*)

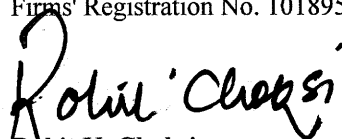
(iv) Concentration of exposures

Particulars	2015	2014
Total exposures to twenty largest borrowers/ customers	29,905,990	740,638,340
Percentage of exposures to twenty largest borrowers / customers to total advances	100%	100%

2.38 Previous year comparatives

Previous year figures have been regrouped and reclassified wherever necessary, to conform to current year's presentation.

For G. K. Choksi & Co.
Chartered Accountants
Firms' Registration No. 101895W



Rohit K. Choksi
Partner

Membership No: 31103



Mumbai
12 May 2015

For and on behalf of the Board of Directors



Tarun Khurana
Director
DIN : 03280026



Kulbir Singh Rana
Director
DIN : 03280892

Mumbai
12 May 2015