

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Edelweiss Asset Management Limited

**Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Edelweiss Asset Management Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

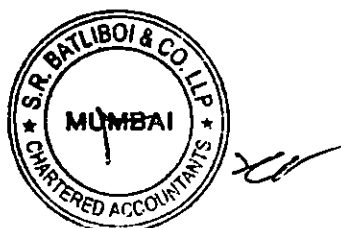
We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements'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

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

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

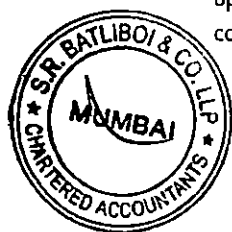
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

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



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

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

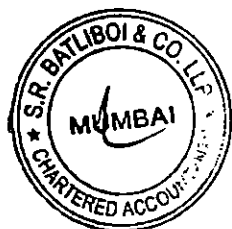
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Other Matters**

1. The comparative financial information of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 ('IGAAP') audited by the predecessor auditor whose report for the year ended March 31, 2018 and March 31, 2017 dated April 28, 2018 and May 15, 2017 respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.
2. The transition date opening balance sheet of the Company as at April 01, 2017 include the financial information of erstwhile Edelweiss Multi Strategy Funds Management Private Limited, consequent to its merger into the Company which was effected on February 01, 2019, with the appointed date of April 01, 2017 [refer Note 37 to the Ind AS financial statements]. The said financial information included in these Ind AS financial statements are based on financial information previously prepared in accordance with the Companies (Accounting Standards) Rules, 2006, audited by the other auditors, and have been restated to comply with Ind AS Adjustments made to the financial information previously prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



# **S.R. BATLIBOI & Co. LLP**

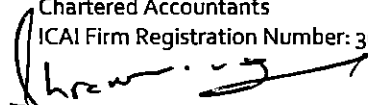
Chartered Accountants

- (g) In our opinion, no managerial remuneration was paid/payable for the year ended March 31, 2019 by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position (refer note 33(iii) to the Financial Statements);
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

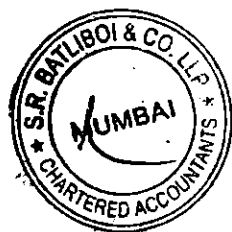
Place of Signature: Mumbai

Date: April 26, 2019



**Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed, there are no immovable properties, included in property, plant and equipment/ fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us and audit procedures performed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and audit procedures performed, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii)(a) Undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, the Company did not have any dues on account of employees' state insurance, sales-tax, service tax, value added tax duty of custom and duty of excise.
- (b) According to the information and explanations given to us and audit procedures performed, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of employees' state insurance, sales-tax, service tax, value added tax duty of custom and duty of excise.
- (c) According to the information and explanations given to us and audit procedures performed, there are no dues of income tax, service tax, provident fund, Goods and service tax and cess which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institution, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable. Hence not commented on.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.



# **S.R. BATLIBOI & CO. LLP**

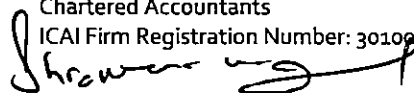
Chartered Accountants

- (xi) According to the information and explanations given to us and the records of the Company examined by us, no managerial remuneration was paid/payable as per the provisions of section 197 read with Schedule V to the Companies Act, 2013. Accordingly, the provision of clause 3(xi) is not applicable to the Company.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management and audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us and audit procedures performed, the Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



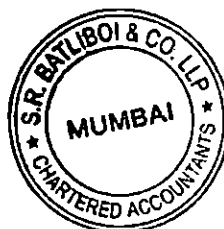
per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: April 26, 2019



**Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of Edelweiss Asset Management Limited**

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

To the Members of Edelweiss Asset Management Limited

We have audited the internal financial controls over financial reporting of Edelweiss Asset Management Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

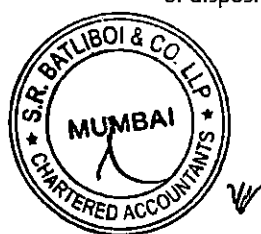
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

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



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

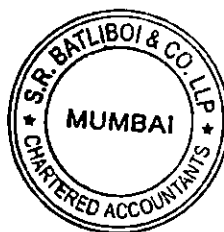
  
per Shrawan Jalan

Partner

Membership Number: 102102

Place of Signature: Mumbai

Date: April 26, 2019







# Edelweiss Asset Management Limited

## Balance Sheet

(Currency : Indian rupees in millions)

Note	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>ASSETS</b>			
<b>Financial assets</b>			
(a) Cash and cash equivalents	2 554.00	517.76	839.13
(b) Bank balances other than cash and cash equivalents	3 2.24	91.55	194.43
(c) Trade receivables	4 56.30	169.08	99.71
(d) Loans	5 0.45	519.04	408.63
(e) Investments	6 374.93	611.81	575.06
(f) Other financial assets	7 29.83	25.76	0.53
	<u>1,017.75</u>	<u>1,935.00</u>	<u>2,117.49</u>
<b>Non-financial assets</b>			
(a) Current tax assets (net)	8 144.85	88.24	45.20
(b) Deferred tax assets (net)	9 -	-	-
(c) Property, Plant and Equipment	10 26.26	24.66	9.72
(d) Capital work-in-progress	5.74	-	-
(e) Other Intangible assets	10 714.64	560.26	560.04
(f) Other non- financial assets	11 395.92	213.38	247.21
	<u>1,287.41</u>	<u>886.54</u>	<u>862.17</u>
<b>TOTAL ASSETS</b>	<u>2,305.16</u>	<u>2,821.54</u>	<u>2,979.66</u>
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
(a) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12 88.25	175.47	159.04
(b) Borrowings (other than debt securities)	13 55.65	721.45	443.38
(c) Other financial liabilities	14 583.11	488.25	1,060.50
	<u>727.01</u>	<u>1,385.17</u>	<u>1,662.92</u>
<b>Non-financial liabilities</b>			
(a) Current tax liabilities (net)	15 -	7.04	-
(b) Provisions	16 3.37	11.87	10.19
(c) Other non-financial liabilities	17 13.58	31.90	66.61
	<u>16.95</u>	<u>50.81</u>	<u>76.80</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18 733.43	700.00	678.75
(b) Other equity	19 827.77	685.56	561.19
	<u>1,561.20</u>	<u>1,385.56</u>	<u>1,239.94</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>2,305.16</u>	<u>2,821.54</u>	<u>2,979.66</u>

The accompanying notes are an integral part of these financial statements

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This is the Balance Sheet referred to in our report of even date

For S.R. Batliboi & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

*Shrawan*

per Shrawan Jalan  
Partner

Membership No: 102102



Mumbai

April 26, 2019

*R.K.*  
Radhika Gupta  
Chief Executive Officer

For and on behalf of the Board of Directors

*Hemant Daga*  
Hemant Daga  
Director  
DIN - 07783248

*Kanu Doshi*  
Kanu Doshi  
Director  
DIN - 00577409

*Jitendra Shah*  
Jitendra Shah  
Chief Financial Officer

*Nirav Sanghavi*  
Nirav Sanghavi  
Company Secretary

Mumbai  
26 April 2019



# Edelweiss Asset Management Limited

## Statement of Profit and Loss

(Currency : Indian rupees in millions)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Revenue from operations</b>			
Interest income	20	7.86	64.14
Fee and commission income	21	1,144.68	739.03
Net gain on fair value changes (including Treasury income)	22	56.72	72.98
<b>Total Revenue from operations</b>		<b>1,209.26</b>	<b>876.15</b>
<b>Other income</b>	23	0.64	0.00
<b>Total Revenue</b>		<b>1,209.90</b>	<b>876.15</b>
<b>Expenses</b>			
Finance costs	24	37.51	83.22
Employee benefits expense	25	438.36	274.60
Depreciation, amortisation and impairment	10	14.53	8.13
Other expenses	26	692.75	538.94
<b>Total expenses</b>		<b>1,183.15</b>	<b>904.89</b>
<b>Profit / (loss) before exceptional items and tax</b>		<b>26.75</b>	<b>(28.74)</b>
Exceptional items		-	-
Share of (loss)/ profit in Associates companies		-	-
<b>Profit / (Loss) before tax</b>		<b>26.75</b>	<b>(28.74)</b>
<b>Tax expenses:</b>			
Current tax		-	6.87
Short / (Excess) provisions for earlier years		-	0.31
MAT credit entitlement		-	(6.87)
<b>Profit/ (Loss) for the year</b>		<b>26.75</b>	<b>(29.05)</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain / loss on defined benefit plans (OCI)		(1.11)	(0.57)
Less: Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
<b>Total Comprehensive Income</b>		<b>25.64</b>	<b>(29.62)</b>
<b>Earnings per equity share (Face value of ₹10 each) (in Rs.):</b>			
(1) Basic	27	0.37	(0.42)
(2) Diluted		0.37	(0.42)

The accompanying notes are an integral part of these financial statements

This is the Statement of Profit & Loss referred to in our report of even date

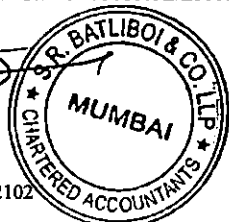
For S.R. Batliboi & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan  
Partner

Membership No: 102102



Radhika Gupta  
Chief Executive Officer

For and on behalf of the Board of Directors

Hemant Daga  
Director  
DIN - 07783248

Kanu Doshi  
Director  
DIN - 00577409

Jitendra Shah  
Chief Financial Officer  
Mumbai  
26 April 2019

Nirav Sanghavi  
Company Secretary



Mumbai  
April. 26, 2019

# Edelweiss Asset Management Limited

## Cash Flow Statement

(Currency : Indian rupees in millions)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A Cash flow from operating activities</b>		
Profit / (Loss) before tax	26.75	(28.74)
<i>Adjustments for</i>		
Depreciation and amortisation expense	14.53	8.13
Profit on sale of current and non-current investments	(33.37)	(48.73)
Unrealised gain / (loss) on investment measured at fair value through profit and loss (Net)	(23.35)	0.36
(Profit) / Loss on sale/write-off of fixed assets	(0.01)	0.28
Employee stock option expense	2.34	5.24
Gratuity and compensated expenses	3.85	5.43
Share of (loss) / profit in partnership firm	26.70	(24.61)
Interest income	(7.86)	(64.14)
Interest expense	37.51	83.22
<b>Operating cash flow before working capital changes</b>	<b>47.09</b>	<b>(63.56)</b>
<i>Changes in working capital</i>		
Decrease / (Increase) in trade receivables	112.83	(63.46)
(Increase) / Decrease in loans and advances	(93.52)	112.68
Decrease in liabilities and provisions	(27.85)	(600.84)
<b>Cash generated from / (used in) operations</b>	<b>38.55</b>	<b>(615.19)</b>
Taxes paid (net of refunds)	(63.66)	(35.98)
<b>Net cash generated from / (used in) operating activities - A</b>	<b>(25.11)</b>	<b>(651.17)</b>
<b>B Cash flow from investing activities</b>		
Purchase of tangible and intangible assets (Refer Note 3 below)	(176.39)	(24.71)
Proceeds from sale of tangible and intangible assets	0.16	1.14
Purchase of current and non-current investments	(110.00)	(1719.19)
Proceeds from Sale/redemption of current and non-current investments	350.73	1,783.71
Contribution in LLP through partner's current account	26.16	(28.42)
Loans repayments received / (given)*	514.80	(112.74)
Interest received	7.86	64.14
<b>Net cash generated from investing activities - B</b>	<b>613.32</b>	<b>(36.07)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from issue of share capital including securities premium account	150.00	170.00
(Borrowings repaid) / Proceeds from short term borrowing*	(664.47)	279.09
Interest paid	(37.51)	(83.22)
<b>Net cash (used in) / generated from financing activities - C</b>	<b>(551.98)</b>	<b>365.87</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>36.24</b>	<b>(321.37)</b>
Cash and cash equivalents as at the beginning of the year	517.76	839.13
Cash and cash equivalents as at the end of the year	554.00	517.76

\*Net figures have been reported on account of volume of transactions



2/3



# Edelweiss Asset Management Limited

## Cash Flow Statement (continued)

(Currency : Indian rupees in millions)

### Notes:

- 1 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- 2 The Scheme of merger of Edelweiss Multi Strategy Funds Management Private Limited with the Company implemented w.e.f. the appointed date of 01-April-2017 did not involve any cash outflow as the Company issued equity shares of the Company to the shareholders of erstwhile Edelweiss Multi Strategy Funds Management Private Limited in terms of the Scheme. (Refer Note 37)
- 3 Purchase of tangible and intangible assets includes movements of Capital Work-in-Progress and capital expenditure during the year.

This is the Cash Flow Statement referred to in our report of even date

For S.R. Batliboi & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

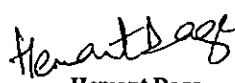
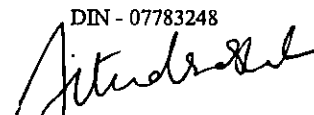
per Shrawan Jalan  
Partner  
Membership No: 102102



Mumbai

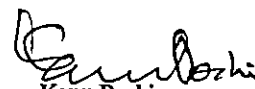
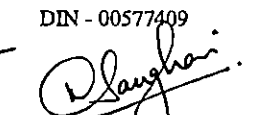
April 26, 2019

  
Radhika Gupta  
Chief Executive Officer

  
Hemant Daga  
Director  
DIN - 07783248  
  
Jitendra Shah  
Chief Financial Officer

Mumbai

26 April 2019

  
Kanu Doshi  
Director  
DIN - 00577409  
  
Nirav Sanghavi  
Company Secretary



**Edelweiss Asset Management Limited****Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**Statement of changes in Equity****Equity share capital**

Balance at the beginning of the reporting period ( April 01, 2018)	Changes in equity share capital	Balance at the end of the reporting period (March 31, 2019)
700.00	33.43	733.43

Balance at the beginning of the reporting period (April 01,2017)	Changes in equity share capital	Balance at the end of the reporting period (March 31, 2018)
678.75	21.25	700.00

**Other Equity**

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Account	ESOP reserve	Retained earnings	
Balance at April 01, 2017 (Indian GAAP)	-	730.32	-	(357.32)	373.00
Reserve created on account of merger	132.15	-	-	-	132.15
Ind AS adjustments	-	-	5.10	50.94	56.04
Balance at April 01, 2017 (Ind AS)	132.15	730.32	5.10	(306.38)	561.19
Profit or loss	-	-	-	(29.05)	(29.05)
Other comprehensive income	-	-	-	(0.57)	(0.57)
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(29.62)</b>	<b>(29.62)</b>
Issue of equity instruments	-	148.75	-	-	148.75
ESOP charge	-	-	5.24	-	5.24
Balance at March 31, 2018 (Ind AS)	132.15	879.07	10.34	(336.00)	685.56
Profit or loss	-	-	-	26.75	26.75
Other comprehensive income	-	-	-	(1.11)	(1.11)
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>25.64</b>	<b>25.64</b>
Issue of equity instruments	(14.68)	131.25	-	-	116.57
Balance at March 31, 2019 (Ind AS)	117.47	1,010.32	10.34	(310.36)	827.77

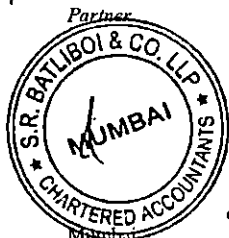
For S.R. Batliboi &amp; Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors

*Shrawan*  
 201 Shrawan Jalan  
 Partner



April 26, 2019

*Radhika Gupta*  
 Radhika Gupta  
 Chief Executive Officer

*Hemant Daga*  
 Hemant Daga  
 Director  
 DIN - 07783248

*Jitendra Shah*  
 Jitendra Shah  
 Chief Financial Officer

*Kanu Doshi*  
 Kanu Doshi  
 Director  
 DIN - 00577409

*Nirav Sanghavi*  
 Nirav Sanghavi  
 Company Secretary

Mumbai  
 26 April 2019



# Edelweiss Asset Management Limited

## Notes to the financial statements

### 1. Significant accounting policies

#### 1.1 Background

Edelweiss Asset Management Limited ('the Company') was incorporated on August 23, 2007 as a private limited company. With effect from January 18, 2008, the Company converted itself into public limited company.

The Company is a subsidiary of Edelweiss Financial Services Limited and is incorporated as an asset management company. The Company is registered with the Securities and Exchange Board of India ('SEBI') to act as an investment manager to the Edelweiss Mutual Fund ('the fund') and Alternative Investment funds ('AIF'). It is also registered with SEBI as a portfolio manager.

#### 1.2 Basis of preparation of financial statements

The Company's financial statements has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended March 31, 2019 are the first financial statements of the Company prepared under Ind AS. Refer to note 1.18 for information on how the Company adopted Ind AS for opening balance sheet.

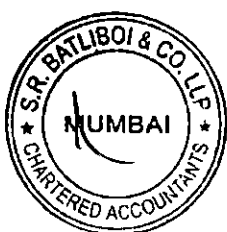
The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value. The Company's financial statements are presented in Indian Rupees (INR).

#### 1.3 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 42.

#### 1.4 Use of estimates

The preparation of the financial statements requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported revenue and expense during the reporting period. Actual results could differ from the estimates.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

### 1.5 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised services to the customer, excluding amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from the following sources:

- Management fees on mutual fund and alternate investment fund is recognised, net of service tax / goods and service tax on an accrual basis in accordance with the Investment Management Agreement with the respective fund based on average assets under management (AUM) and complies with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
- Portfolio management fees are recognised over the tenure in accordance with portfolio management agreement entered with respective clients.
- Interest income is recognised on effective interest method.
- Profit/loss on sale of investments is recognised on trade date basis.

### 1.6 Financial Instruments

#### *Date of recognition*

Financial assets and financial liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

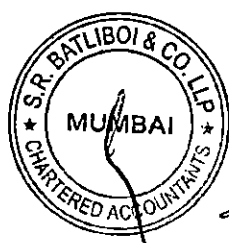
#### *Initial measurement of financial instruments*

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### *Classification of financial instruments*

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income [FVOCI]
- Fair value through profit or loss [FVTPL]



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. By default, all other financial assets are subsequently measured at FVTPL.

### *Amortized cost and Effective interest rate (EIR)*

The effective interest rate is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

### *Financial assets held for trading*

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. .

### *Financial assets at fair value through profit or loss*

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109.





# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

### **Disclosure requirement of Ind AS 107-Financial Instruments: Disclosure**

#### ***Investment in equity instruments***

The Company subsequently measures all equity investments (other than subsidiaries) at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Investments in subsidiaries are carried at amortised cost.

#### ***Investment in mutual funds***

The Company subsequently measures all mutual fund investments at fair value through profit or loss as these financial assets do not pass the contractual cash flow test as required by Ind AS- 109- Financial Instruments, for being designated at amortised cost or FVTOCI, hence classified at FVTPL.

#### ***Financial liabilities***

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

#### ***Debt securities and other borrowed funds***

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

#### ***Financial liabilities and equity instruments***

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

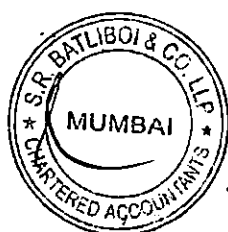
#### ***Reclassification of financial assets and liabilities***

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

#### ***Derecognition of financial assets and financial liabilities***

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset



# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

### ***Derecognition of financial liabilities***

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

### ***Impairment of financial assets***

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates.

### ***Business model assessment***

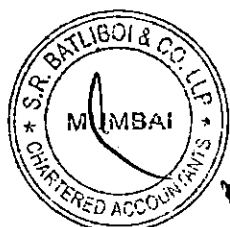
Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

### ***Fair value of financial instruments***

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

### ***Determination of fair value***

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

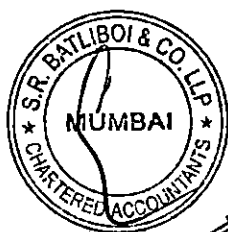
Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

### 1.7 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

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 by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for



# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

### **1.8 Foreign currency transactions**

The financial statements are presented in Indian Rupees which is also functional currency of the Company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### **1.9 Retirement and other employee benefit**

#### ***Provident fund and national pension scheme***

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised 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, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods

#### ***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 in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

### **1.10 Share-based payment arrangements**

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Group are measured by reference to the fair value of the equity instruments at the grant date.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'ESOP reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

### 1.11 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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 II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

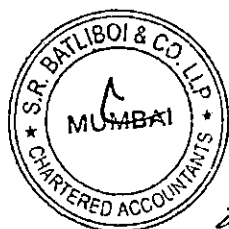
Estimated useful lives of the assets are as follows:

Nature of assets	Estimated Useful Life
Furniture and fittings	10 years
Vehicles	8 years
Office equipments	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

### Intangible fixed assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

### *Impairment of non-financial assets*

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

### *1.12 Cash and cash equivalents*

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

### *1.13 Provisions and other contingent liabilities*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

### *1.14 Operating leases*

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term, in which case lease payments are recognized based on contractual terms. Contingent rental payable is recognized as an expense in the period in which it is incurred

### *1.15 Income tax expenses*

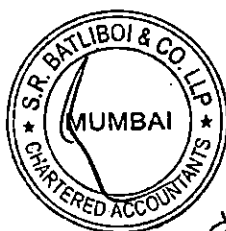
Income tax expense represents the sum of the tax currently payable and deferred tax.

#### *Current tax*

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

#### *Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

Deferred tax assets are also recognised with respect to carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

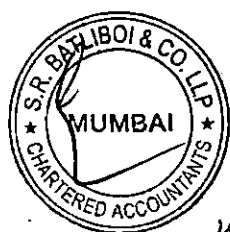
### *Minimum Alternative Tax (MAT) credit*

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

### **1.16 Business Combination**

Business combinations except under common control are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values with certain limited exceptions. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Common controlled business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

### 1.17 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- (a) Actuarial assumptions used in calculation of defined benefit plans
- (b) Assumptions used on discounted cash flows, growth rate and discount rate to justify the value of management rights reported under intangible assets.
- (c) Assumptions used in estimating the useful lives of tangible assets reported under property, plant and equipment.

### 1.18 First-time adoption – mandatory exceptions, optional exemptions

#### Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company is given below as per Ind AS 101.

#### Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2017 (the transition date).

#### Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

#### Accounting estimates

The Company's estimates in accordance with Ind AS at the transition date are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). The same applies to the comparative period presented.





# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

### *Past business combinations*

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 01, 2017.

### *Deemed cost for property, plant and equipment, and intangible assets*

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of April 01, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

## **1.19 Standards issued but not yet effective**

### *Ind AS 116 Leases:*

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The application of this standard is not likely to have a material impact on the Consolidated Financial Statements.

### *Prepayment Features with Negative Compensation (Amendments to Ind AS 109)*

The amendments to Ind AS 109 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. These amendments are to be applied for annual periods beginning on or after April 01, 2019.

The application of these amendments is not likely to have a material impact on the Consolidated Financial Statements.

### *Long-term Interests in Associates and Joint Ventures (Amendments to Ind AS 28)*

The amendment clarifies that Ind AS 109, including its impairment requirements, applies to long-term interests. Furthermore, in applying Ind AS 109 to long-term interests, an entity does not take into account adjustments to their carrying amount required by Ind AS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with Ind AS 28). These amendments are to be applied retrospectively in accordance with Ind AS 8 for annual reporting periods beginning on or after April 01, 2019. Specific transition provisions apply depending on whether the first-time application of the amendments coincides with that of Ind AS 109.

The application of these amendments is not likely to have a material impact on the Consolidated Financial Statements.



# Edelweiss Asset Management Limited

## Notes to the financial statements *(continued)*

### *Annual Improvements to Ind AS (2018)*

#### **a) Ind AS 12 Income taxes**

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits. These amendments are to be applied for annual periods beginning on or after April 01, 2019.

#### **b) Ind AS 23 Borrowing costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. These amendments are to be applied for annual periods beginning on or after April 01, 2019.

#### **c) Ind AS 103 Business Combinations**

The amendments clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation. These amendments are to be applied for business combinations in which the date of acquisition is on or after April 01, 2019.

#### **d) Ind AS 111 Joint Arrangements**

The amendments clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the entity does not remeasure its PHI in the joint operation. These amendments are to be applied to transactions in which joint control is obtained on or after April 01, 2019.

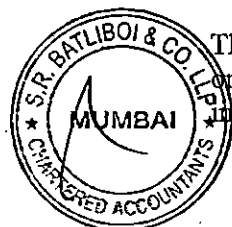
The application of all of the above amendments is not likely to have a material impact on the Consolidated Financial Statements.

### ***Plan Amendment, Curtailment or Settlement (Amendments to Ind AS 19)***

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). The change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

An entity is also now required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under Ind AS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

These amendments are to be applied to plan amendments, curtailments or settlements occurring on or after April 01, 2019. The application of these amendments is not likely to have a material impact on the Consolidated Financial Statements.



# Edelweiss Asset Management Limited

## Notes to the financial statements *(continued)*

### *Uncertainty over Income Tax Treatments (Appendix C of Ind AS 12)*

This Appendix sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Appendix requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
  - If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
  - If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Appendix is effective for annual periods beginning on or after April 01, 2019.



## Edelweiss Asset Management Limited

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>2 Cash and cash equivalents</b>			
Cash on hand (Refer note 54)	0.07	0.07	0.00
Balances with banks			
- in current accounts	553.93	517.69	839.13
	<b>554.00</b>	<b>517.76</b>	<b>839.13</b>
<b>3 Bank balances other than cash and cash equivalents</b>			
Fixed deposits, held as margin money or security against borrowings, guarantees other commitments	2.24	91.55	194.43
	<b>2.24</b>	<b>91.55</b>	<b>194.43</b>
<b>4 Trade receivables</b>			
Trade receivables			
Receivables considered good and credit impaired - Unsecured	63.60	182.39	99.71
Less : Allowance for expected credit losses (Refer note 41)	7.30	13.31	-
	<b>56.30</b>	<b>169.08</b>	<b>99.71</b>
<b>5 Loans (At amortised cost)</b>			
Loans and advances to related parties (Refer note 28)	-	517.66	407.34
Loan and advances to others	-	0.91	0.91
Loans to employees	0.45	0.47	0.38
	<b>0.45</b>	<b>519.04</b>	<b>408.63</b>



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Edelweiss Asset Management Limited  
Notes to the financial statements (Continued)  
(Currency : Indian rupees in millions)

6. Investments

As at March 31, 2019

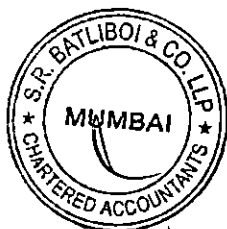
Particulars	At fair value	At cost (subsidiaries, associates, and joint ventures)	Total
	Through P&L		
(i) Mutual Fund	373.74	-	373.74
(ii) Equity	1.19	-	1.19
<b>TOTAL - Gross (A)</b>	<b>374.93</b>	<b>-</b>	<b>374.93</b>
(i) Investments outside India	-	-	-
(ii) Investment in India	374.93	-	374.93
<b>TOTAL - Gross (B)</b>	<b>374.93</b>	<b>-</b>	<b>374.93</b>
<b>Less: Allowance for impairment (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Net (A-C)</b>	<b>374.93</b>	<b>-</b>	<b>374.93</b>

As at March 31, 2018

Particulars	At fair value	At cost (subsidiaries, associates, and joint ventures)	Total
	Through P&L		
(i) Mutual Fund	551.30	-	551.30
(ii) Equity instruments	0.99	-	0.99
(iii) Subsidiaries	-	-	-
a) Equity	-	6.66	6.66
(iv) Investment in partnership firm	52.86	-	52.86
<b>TOTAL - Gross (A)</b>	<b>605.15</b>	<b>6.66</b>	<b>611.81</b>
(i) Investments outside India	-	-	-
(ii) Investment in India	605.15	6.66	611.81
<b>TOTAL - Gross (B)</b>	<b>605.15</b>	<b>6.66</b>	<b>611.81</b>
<b>Less: Allowance for impairment (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Net (A-C)</b>	<b>605.15</b>	<b>6.66</b>	<b>611.81</b>

As at April 01, 2017 (i.e. March 31, 2017)

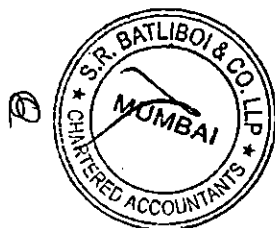
Particulars	At fair value	At cost (subsidiaries, associates, and joint ventures)	Total
	Through P&L		
(i) Mutual Fund	567.46	-	567.46
(ii) Equity instruments	0.94	-	0.94
(vi) Subsidiaries	-	-	-
a) Equity	-	6.66	6.66
<b>TOTAL - Gross (A)</b>	<b>568.40</b>	<b>6.66</b>	<b>575.06</b>
(i) Investments outside India	-	-	-
(ii) Investment in India	568.40	6.66	575.06
<b>TOTAL - Gross (B)</b>	<b>568.40</b>	<b>6.66</b>	<b>575.06</b>
<b>Less: Allowance for impairment (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Net (A-C)</b>	<b>568.40</b>	<b>6.66</b>	<b>575.06</b>



**Edelweiss Asset Management Limited**
**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

6 Investments	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount	Face Value	Quantity	Amount
<b>(A) Investments in equity instruments of other companies</b>									
Carried at fair valued through Profit & Loss account									
MF Utilities India Private Limited	1.00	5,00,000	1.19	1.00	5,00,000	0.99	1.00	5,00,000	0.94
<b>(B) Investments in mutual funds</b>									
Carried at fair valued through Profit & Loss account									
Edelweiss Dynamic Bond Fund - Direct Plan Growth	10.00	2,75,200	5.71	10.00	2,75,200	5.16	10.00	2,75,200	4.98
Edelweiss Liquid Fund - Direct Plan Growth	1,000.00	2,445	5.88	1,000.00	2,445	5.46	1,000.00	2,44,512	5.11
Edelweiss Arbitrage Fund - Direct Plan Growth	10.00	5,00,000	7.04	10.00	5,00,000	6.60	10.00	5,00,000	6.18
Edelweiss Balanced Advantage Fund - Direct Plan Growth	10.00	2,83,621	6.99	10.00	2,83,621	6.45	10.00	2,83,621	5.84
Edelweiss Large Cap Fund - Direct Plan Growth	10.00	1,56,400	5.79	10.00	1,56,400	5.18	10.00	2,06,991	6.02
Edelweiss Long Term Equity Fund - Direct Plan Growth	10.00	1,50,643	7.48	10.00	1,50,643	7.24	10.00	1,50,643	6.37
Edelweiss Mid-Cap Fund - Direct Plan Growth	10.00	2,38,857	6.78	10.00	2,38,857	7.13	10.00	2,38,857	5.74
Edelweiss Multi-asset Allocation Fund - Direct Plan Growth	10.00	34,175	0.89	10.00	34,175	0.82	10.00	1,03,782	2.29
Edelweiss Equity Savings Fund - Direct Plan Growth	10.00	4,38,425	6.25	10.00	4,38,425	5.81	10.00	4,38,425	5.26
Edelweiss ETF - Nifty 50	10.00	610	8.07	10.00	610	5.56	10.00	616	5.82
Edelweiss ETF - Nifty Bank	10.00	2,873	8.83	10.00	2,873	6.74	10.00	3,049	6.21
Edelweiss ETF - Nifty Quality 30	10.00	10,487	3.03	10.00	10,487	2.57	10.00	24,167	5.22
Edelweiss ASEAN Equity Off-shore Fund - Direct Plan Growth	10.00	2,97,424	6.41	10.00	2,97,424	6.49	10.00	2,97,424	5.28
Edelweiss Corporate Bond Fund - Direct Plan Growth	10.00	4,02,606	5.91	10.00	4,02,606	5.48	10.00	4,02,606	5.10
Edelweiss Europe Dynamic Equity Off-shore Fund - Direct Plan Growth	10.00	5,10,459	5.65	10.00	5,10,459	5.86	10.00	5,10,459	5.22
Edelweiss Large & Midcap Fund - Direct Plan Growth	10.00	2,13,821	7.15	10.00	2,13,821	6.72	10.00	2,13,821	5.67
Edelweiss Emerging Markets Opportunities Equity Off-shore Fund - Direct Plan Growth	10.00	2,60,631	3.32	10.00	2,60,631	3.28	10.00	2,60,631	2.60
Edelweiss Multi-Cap Fund - Direct Plan Growth	10.00	4,92,029	7.51	10.00	4,92,029	7.02	10.00	4,92,029	5.80
Edelweiss Greater China Equity Off-Shore Fund - Direct Plan Growth	10.00	2,38,050	6.86	10.00	2,38,050	6.94	10.00	2,38,050	5.06
Edelweiss Government Securities Fund - Direct Plan Growth	10.00	3,61,928	5.70	10.00	3,61,928	5.27	10.00	3,61,928	5.02
Edelweiss Banking and PSU Debt Fund - Direct Plan Growth	10.00	3,72,334	5.85	10.00	3,72,334	5.43	10.00	3,72,334	5.09
Edelweiss Short Term Fund - Direct Plan Growth	10.00	3,40,732	5.85	10.00	3,40,732	5.44	10.00	3,40,732	5.09
Edelweiss Tax Advantage Fund - Direct Plan Growth	10.00	40,650	1.74	10.00	40,650	1.70	10.00	40,650	1.47
Edelweiss Low Duration Fund Direct Plan Growth	1,000.00	2,628	5.98	1,000.00	2,628	5.52	1,000.00	2,62,760	5.12
Edelweiss US Value Equity Off-shore Fund - Direct Plan Growth	10.00	3,53,935	5.66	10.00	3,53,935	5.18	10.00	3,53,935	4.90
Edelweiss Small Cap Fund - Direct Plan Growth	10.00	5,00,000	5.61	-	-	-	10.00	-	-
Edelweiss Balanced Advantage Fund - Direct Plan - Growth	-	-	-	-	-	-	10.00	4,83,573	5.43
Edelweiss Dynamic Bond Fund - Direct Plan Growth	10.00	73,906	1.53	10	73,905.81	1.39	10.00	73,906	1.34
Edelweiss Liquid Fund - Direct Plan Growth	1,000.00	1,207	2.90	1,000	1,206.51	2.70	1,000.00	1,38,140	2.89
Edelweiss Low Duration Fund Direct Plan Growth	1,000.00	74,876	170.40	1,000	1,94,103.60	408.03	1,000.00	-	-
Edelweiss Short Term Fund - Direct Plan Growth	10.00	24,75,508	42.47	-	-	-	10.00	-	-
Edelweiss ETF - Nifty 50	10.00	87	1.14	10	87.00	0.79	10.00	150	1.42
Edelweiss Equity Savings Fund - Direct Plan Growth	10.00	19,296	0.27	10	19,295.59	0.26	10.00	19,296	0.23
Edelweiss Mid-Cap Fund - Direct Plan Growth	10.00	62,449	1.77	10	62,449.07	1.85	10.00	62,449	1.50
Edelweiss Balanced Advantage Fund - Direct Plan Growth	10.00	53,566	1.32	10	53,565.74	1.22	10.00	-	-
LIC MF Savings Plus Fund - Direct Plan - Growth	-	-	-	-	-	-	10.00	1,66,28,111	428.19
Others (Refer note 54)	-	-	0.00	-	-	0.00	-	-	0.00
			<u>373.74</u>			<u>551.30</u>			<u>567.46</u>
<b>(C) Investment in subsidiaries - Carried at cost</b>									
Share in Edelweiss India Capital Management	-	-	-	USD 1	1,11,324	6.66	-	-	6.66
Investment in Edelweiss Multi Strategy Fund Advisors LLP	-	-	-	-	-	52.86	-	-	-
			-			<u>59.52</u>			<u>6.66</u>
<b>Total (A+B+C)</b>			<u><b>374.93</b></u>			<u><b>611.81</b></u>			<u><b>575.06</b></u>
Aggregate value of investments in equity shares (unquoted)									
At market value			1.19			0.99			0.94
Aggregate of unquoted investments in mutual funds									
At market value			373.74			551.30			567.46
Aggregate value of investments in subsidiaries									
At market value			-			59.52			6.66



# Edelweiss Asset Management Limited

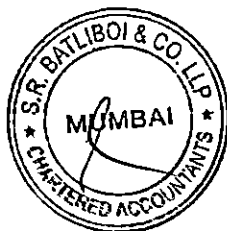
## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>7 Other financial assets</b>			
Security Deposits	29.83	25.76	0.53
	<u>29.83</u>	<u>25.76</u>	<u>0.53</u>
<b>8 Current tax assets (net)</b>			
Advance income taxes	144.27	80.78	44.62
MAT credit entitlement	0.58	7.46	0.58
	<u>144.85</u>	<u>88.24</u>	<u>45.20</u>
<b>9 Deferred tax assets (net)</b>			
<b>Deferred tax assets</b>			
<u>Property, plant and equipment and intangibles</u>			
Difference between book and tax depreciation (including intangibles)	-	-	0.03
<u>Employee benefit obligations</u>			
Disallowances under section 43B of the Income Tax Act, 1961	0.76	0.76	0.40
<u>Unused tax losses</u>			
Accumulated losses	77.79	43.64	5.61
ESOP cost	-	1.33	1.33
Others	4.70	14.28	-
	<u>83.25</u>	<u>60.01</u>	<u>7.37</u>
<b>Deferred tax liabilities</b>			
<u>Property, plant and equipment and intangibles</u>			
Difference between book and tax depreciation (including intangibles)	77.18	52.74	-
<u>Investments and other financial instruments</u>			
Fair valuation of investments and stock-in-trade - gain in valuation	6.07	7.27	7.37
	<u>83.25</u>	<u>60.01</u>	<u>7.37</u>
	<u>-</u>	<u>-</u>	<u>-</u>

Note:

Due to absence of reasonable certainty of future taxable income, the Company has not recognised Deferred Tax on temporary differences as the company has previous years brought forward losses.



b

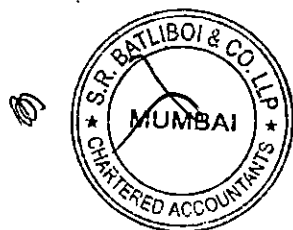


**Edelweiss Asset Management Limited**
**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**10 Property, Plant and Equipment**

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block
	As at April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	Charge for the year	Disposals during the year	As at March 31, 2019	As at March 31, 2019
<b>Property, Plant and Equipment</b>									
Leasehold improvements	11.79	2.53	-	14.32	0.66	2.92	-	3.58	10.74
Furniture and Fixtures	2.00	0.88	-	2.88	0.20	0.62	-	0.82	2.06
Vehicles	1.89	0.65	-	2.54	0.65	0.59	-	1.24	1.30
Office equipment	2.01	5.08	-	7.09	0.38	2.84	-	3.22	3.87
Computers	13.99	6.01	0.48	19.52	5.13	6.44	0.34	11.23	8.29
<b>Total : A</b>	<b>31.68</b>	<b>15.15</b>	<b>0.48</b>	<b>46.35</b>	<b>7.02</b>	<b>13.41</b>	<b>0.34</b>	<b>20.09</b>	<b>26.26</b>
<b>Other Intangible Assets</b>									
Computer software	3.13	4.70	-	7.83	1.11	1.12	-	2.23	5.60
Rights acquired for management of MF schemes	558.24	150.80	-	709.04	-	-	-	-	709.04
<b>Total : B</b>	<b>561.37</b>	<b>155.50</b>	<b>-</b>	<b>716.87</b>	<b>1.11</b>	<b>1.12</b>	<b>-</b>	<b>2.23</b>	<b>714.64</b>
<b>Grand Total [A+B]</b>	<b>593.05</b>	<b>170.65</b>	<b>0.48</b>	<b>763.22</b>	<b>8.13</b>	<b>14.53</b>	<b>0.34</b>	<b>23.32</b>	<b>740.90</b>





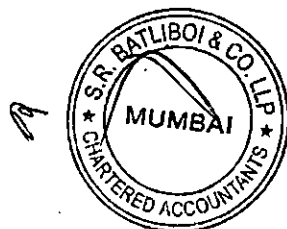
**Edelweiss Asset Management Limited**
**Notes to the financial statements (continued)**

(Currency : Indian rupees in millions)

**10 Property, Plant and Equipment**

Description of Assets	Gross Block						Depreciation						Net Block
	Deemed Cost As at April 01, 2017	Deemed Cost Addition on account of Merger*	Additions during the year	Deductions on account of Merger*	Deductions during the year	As at March 31, 2018	As at April 01, 2017	Addition on account of Merger*	Charge for the year	Deductions on account of Merger*	Deductions during the year	As at March 31, 2018	As at March 31, 2018
<b>Property, plant and equipments</b>													
Leasehold improvements	0.51	-	11.28	-	-	11.79	-	-	0.66	-	-	0.66	11.13
Furniture and Fittings	0.29	0.00	1.71	-	-	2.00	-	-	0.20	-	-	0.20	1.80
Motor vehicles	2.09	0.61	0.56	-	1.37	1.89	-	-	0.65	-	-	0.65	1.24
Office equipments	0.47	0.01	1.57	-	0.04	2.01	-	-	0.38	-	-	0.38	1.63
Computers	4.89	0.85	8.26	-	0.01	13.99	-	-	5.13	-	-	5.13	8.86
<b>Total : A</b>	<b>8.25</b>	<b>1.47</b>	<b>23.38</b>	<b>-</b>	<b>1.42</b>	<b>31.68</b>	<b>-</b>	<b>-</b>	<b>7.02</b>	<b>-</b>	<b>-</b>	<b>7.02</b>	<b>24.66</b>
<b>Other Intangible assets</b>													
Computer software	1.47	0.33	1.33	-	-	3.13	-	-	1.11	-	-	1.11	2.02
Rights acquired for management of MF schemes	558.24	-	-	-	-	558.24	-	-	-	-	-	-	558.24
<b>Total : B</b>	<b>559.71</b>	<b>0.33</b>	<b>1.33</b>	<b>-</b>	<b>-</b>	<b>561.37</b>	<b>-</b>	<b>-</b>	<b>1.11</b>	<b>-</b>	<b>-</b>	<b>1.11</b>	<b>560.26</b>
<b>Grand Total [A+B]</b>	<b>567.96</b>	<b>1.80</b>	<b>24.71</b>	<b>-</b>	<b>1.42</b>	<b>593.05</b>	<b>-</b>	<b>-</b>	<b>8.13</b>	<b>-</b>	<b>-</b>	<b>8.13</b>	<b>584.92</b>

\*Note: Refer Note 37 on merger

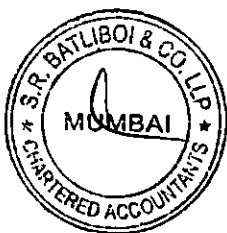


## Edelweiss Asset Management Limited

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>11 Other non-financial assets</b> (Unsecured Considered good, unless stated otherwise)			
GST Input credit	55.29	5.64	0.18
Prepaid expenses	255.69	121.00	85.55
Vendor Advances	12.56	0.42	-
Advances recoverable in cash or in kind or for value to be received	72.38	86.32	161.48
	<b>395.92</b>	<b>213.38</b>	<b>247.21</b>
<b>12 Trade payables</b>			
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	-	-	-
Total outstanding dues to creditors other than micro enterprises and small enterprises	88.25	175.47	159.04
	<b>88.25</b>	<b>175.47</b>	<b>159.04</b>



*[Signature]*



**Edelweiss Asset Management Limited****Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
<b>13 Borrowings</b>			
<b><u>Unsecured</u></b>			
Loan from related parties (Refer Note 28)	55.40	719.85	440.74
Interest accrued and due on borrowings	0.25	1.60	2.64
	<b>55.65</b>	<b>721.45</b>	<b>443.38</b>
<b>14 Other financial liabilities</b>			
Payable to client (net)	508.38	420.01	1,006.65
Others			
Lease equalisation	3.68	6.30	-
Accrued salaries and benefits	70.21	60.82	53.83
Retention money payable	0.84	1.12	0.02
	<b>583.11</b>	<b>488.25</b>	<b>1,060.50</b>



# Edelweiss Asset Management Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
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### 15 Current tax liabilities (net)

Provision for taxation (net of advance tax)

-	7.04	-
-	7.04	-

### 16 Provisions

Provision for employee benefits

Gratuity

0.40	10.08	8.67
------	-------	------

Compensated leave absences

2.97	1.79	1.52
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3.37	11.87	10.19
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### 17 Other non-financial liabilities

Advances from customers (Refer note 54)

0.00	10.16	54.86
------	-------	-------

Statutory dues

8.79	19.13	9.71
------	-------	------

Others

4.79	2.61	2.04
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13.58	31.90	66.61
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**Edelweiss Asset Management Limited**
**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
<b>18 Equity share capital</b>						
Authorised :						
100,000,000 (Previous year: 70,000,000) equity shares of Rs. 10 each		1,000.00		700.00		700.00
		<u>1,000.00</u>		<u>700.00</u>		<u>700.00</u>
Issued, Subscribed and Paid up:	No of shares	Amount	No of shares	Amount	No of shares	Amount
Equity shares of Rs. 10 each, fully paid-up	7,33,43,293	733.43	7,00,00,000	700.00	67,87,50,000	678.75
		<u>733.43</u>		<u>700.00</u>		<u>678.75</u>

**a. Movement in share capital :**

	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	7,00,00,000	700.00	6,78,75,000	678.75	6,00,00,000	600.00
Shares issued during the year	18,75,000	18.75	21,25,000	21.25	78,75,000	78.75
Shares issued during the year on account of merger (Refer Note 37)	14,68,293	14.68				
Outstanding at the end of the year	<u>7,33,43,293</u>	<u>733.43</u>	<u>7,00,00,000</u>	<u>700.00</u>	<u>6,78,75,000</u>	<u>678.75</u>

**b. Terms/rights attached to equity shares :**

The Company has only one class of equity shares having a par value of Rs 10/-. 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.

**c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	%	No of shares	%	No of shares	%
<b>Holding company</b>						
Edelweiss Financial Services Limited, the holding company and its nominees	6,91,73,793	94.32%	6,59,39,250	94.20%	6,39,37,500	94.20%
Ecap Equities Limited	41,69,500	5.68%	40,60,750	5.80%	39,37,500	5.80%
	<u>7,33,43,293</u>	<u>100.00%</u>	<u>7,00,00,000</u>	<u>100.00%</u>	<u>6,78,75,000</u>	<u>100.00%</u>

**d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No of shares	%	No of shares	%	No of shares	%
Edelweiss Financial Services Limited, the holding company and its nominees	6,91,73,793	94.32%	6,59,39,250	94.20%	6,39,37,500	94.20%
Ecap Equities Limited	41,69,500	5.68%	40,60,750	5.80%	39,37,500	5.80%
	<u>7,33,43,293</u>	<u>100.00%</u>	<u>7,00,00,000</u>	<u>100.00%</u>	<u>6,78,75,000</u>	<u>100.00%</u>

**19 Reserves and surplus**

Capital Reserve - Opening balance	132.15	132.15	-
Add : Additions/ (deletion) during the year (Refer Note 37)	(14.68)	-	132.15
	<u>117.47</u>	<u>132.15</u>	<u>132.15</u>
Securities Premium Account	879.07	730.32	170.65
Add : Additions during on issue of Equity Shares	131.25	148.75	559.67
	<u>1,010.32</u>	<u>879.07</u>	<u>730.32</u>
Deemed capital contribution - ESOP	10.34	5.10	-
Add : Additions during the year	-	5.24	5.10
	<u>10.34</u>	<u>10.34</u>	<u>5.10</u>
Retained earnings - Opening balance (P&L)	(336.00)	(306.38)	(291.50)
Add: Profit / (Loss) for the year	26.75	(29.05)	(65.82)
INDAS adjustment (Refer note 54)	(0.00)	-	50.94
Add: Other comprehensive income for the year	(1.11)	(0.57)	-
	<u>(310.36)</u>	<u>(336.00)</u>	<u>(306.38)</u>
Retained earnings - Closing balance (P&L)	<u>827.77</u>	<u>685.56</u>	<u>561.19</u>

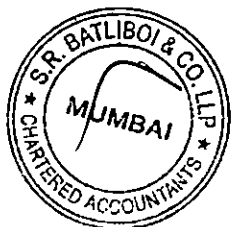


**Edelweiss Asset Management Limited**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	For the year ended March 31, 2019				For the year ended March 31, 2018			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total
20 Interest Income								
Interest on Loans	-	7.49	-	7.49	-	51.12	-	51.12
Interest on deposits with Banks	-	0.10	-	0.10	-	11.37	-	11.37
Other interest Income	-	0.27	-	0.27	-	1.65	-	1.65
<b>Total</b>	-	<b>7.86</b>	-	<b>7.86</b>	-	<b>64.14</b>	-	<b>64.14</b>



# Edelweiss Asset Management Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

For the year ended  
March 31, 2019

For the year ended  
March 31, 2018

### 21 Fee income

Advisory and other fees	1,144.68	739.03
	<u>1,144.68</u>	<u>739.03</u>

### 22 Net gain on fair value changes

#### (A) Net gain/ (loss) on financial instruments at fair value through profit or loss

##### - Investments

Profit on sale of Current Investment	33.37	48.73
Fair value gain/ (loss) - P&L - mutual funds	23.35	(0.36)

#### (B) Others

Share of Profit in partnership firm	-	24.61
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#### Total Net gain on fair value changes (A+B)

<u>56.72</u>	<u>72.98</u>
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#### Fair value changes:

Realised	33.37	48.73
Unrealised	23.35	24.25

#### Total Net gain on fair value changes

<u>56.72</u>	<u>72.98</u>
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### 23 Other income

Profit on sale of fixed assets (net)	0.01	-
Miscellaneous income (Refer note 54)	0.63	0.00
	<u>0.64</u>	<u>0.00</u>



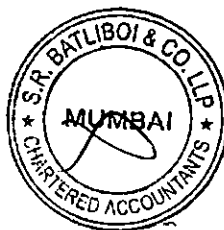
12



**Edelweiss Asset Management Limited****Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	For the year ended March 31, 2019			For the year ended March 31, 2018		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
<b>24 Finance costs</b>						
Interest on borrowings	-	37.19	37.19	-	71.48	71.48
Other interest expense	-	0.32	0.32	-	11.74	11.74
<b>Total</b>	-	37.51	37.51	-	83.22	83.22





# Edelweiss Asset Management Limited

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

For the year ended March 31, 2019	For the year ended March 31, 2018
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### 25 Employee benefit expenses

Salaries and wages	409.05	252.52
Contribution to provident and other funds (Refer note 30)	19.60	8.40
Expense on Employee Stock Option Scheme (ESOP) (Refer note 31)	2.34	5.24
Staff welfare expenses	7.37	8.44
	<u>438.36</u>	<u>274.60</u>



## Edelweiss Asset Management Limited

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

#### 26 Other expenses

For the year ended  
March 31, 2019

For the year ended  
March 31, 2018

Advertisement and business promotion	28.74	27.59
Auditors' remuneration (Refer note below)	2.29	1.40
Bad- debts and advances written off (Refer note 54)	0.00	0.00
Commission and brokerage	350.75	198.77
Communication	3.57	4.39
Directors' sitting fees	0.49	0.54
Insurance	1.37	1.47
Legal and professional fees	58.13	41.43
Printing and stationery	5.32	6.21
(Recoveries) / Allowances on receivables	(6.01)	13.31
Rates and taxes	1.93	3.12
Rent (Refer note 36)	27.34	31.80
Repairs and maintenance	6.37	4.63
Electricity charges	2.60	2.48
Mutual Fund - New Fund Offer Expenses	6.40	3.03
Computer expenses	1.83	2.00
Corporate social responsibility -Donation (Refer note 38)	0.09	0.05
Clearing & custodian charges	4.13	4.43
Loss on sale of of fixed assets	-	0.28
Membership and subscription	18.05	12.88
Mutual Fund Expenses	75.69	117.21
Office expenses	48.65	41.02
ROC Expenses	2.32	-
Seminar & Conference	0.07	-
Goods & Service tax expenses	1.72	1.44
Share of Loss in partnership firm	26.70	
Site related expenses	1.54	-
Stamp duty	0.84	0.83
Travelling and conveyance	19.44	17.39
Miscellaneous expenses	2.39	1.24

692.75

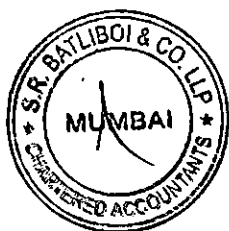
538.94

#### Auditors' remuneration:

As Auditors	2.21	1.31
Towards reimbursement of expenses	0.09	0.09

2.29

1.40



# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

(Currency: Indian Rupees in millions)

### 27 *Earnings per share*

Basic earnings per share (EPS) are calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit from continued operation attributable to equity holders	26.75	(29.05)
Net Profit from continued operation attributable to ordinary equity holders adjusted for the effect of dilution	26.75	(29.05)
Weighted average number of ordinary shares for basic earnings per share	73,076,170	69,389,868
Earnings per share		
Basic earnings per share	0.37	(0.42)
Diluted earnings per share	0.37	(0.42)



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

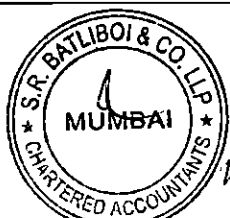
### 28 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure

#### i. List of related parties and relationship:

Name of related parties by whom control is exercised : Holding Company	Edelweiss Financial Services Limited
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited) Edelweiss Trusteeship Company Limited ECap Equities Limited Edelweiss Broking Limited Edelweiss Securities Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Alternative Asset Advisors Limited ECL Finance Limited Edelweiss Global Wealth Management Limited Edelweiss Housing Finance Limited Edelweiss Investment Adviser Limited Edelweiss Retail Finance Limited Edelvalue Partners EFSL Trading Limited (Formerly EFSL Commodities Limited, merged with Edelweiss Rural and Corporate Services Limited)
Subsidiary	Edelweiss Custodial Services Limited Edelweiss Investments Limited Edelweiss Multi Strategy Fund Advisors LLP Edelweiss Finvest Private Limited Edelweiss General Insurance Company Limited
Fund managed by the Company	Edelweiss India Capital Management (upto October 12, 2018) Edelweiss Mutual Fund Edelweiss Alternative Equity Scheme Edelweiss Crossover Opportunities Fund - I Edelweiss Alpha Fund - Scheme I Edelweiss Catalyst Opportunities Fund Edelweiss Crossover Opportunities Fund - II
Non-Executive Directors	Anurag Madan Hemant Daga
Independent Directors	Kanu Doshi U.R. Bhat
Key Management Personnel (with whom transactions have taken place)	Radhika Gupta Rashida Kalolwala (till January 31, 2019) Nirav Sanghavi Jitendra Shah

#### ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2018-19	2017-18
1	Equity share capital issued	Edelweiss Financial Services Limited ECap Equities Limited	258.76 8.70	160.14 9.86
2	Share of Profit / (Loss) in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	(26.70)	6.03
3	Short term loans taken from (Refer Note 1 below)	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	515.85	717.16
4	Short term loans repaid to (Refer Note 1 below)	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited) Edelweiss Financial Services Limited	1,180.30 -	326.86 111.19
5	Short term loans given to (Refer Note 1 below)	Edelweiss Multi Strategy Fund Advisors LLP	-	204.40
6	Short term Loans repaid by (Refer Note 1 below)	Edelweiss Multi Strategy Fund Advisors LLP	514.80	91.66
7	Purchase of mutual fund units	Edelweiss Mutual Fund	110.00	1,719.19
8	Sale of mutual fund units	Edelweiss Mutual Fund	335.00	1,783.71



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

### 28 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure

#### ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2018-19	2017-18
9	Interest expenses on loan from	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	37.19	66.81
		Edelweiss Financial Services Limited	-	4.67
10	Interest income on loans given to	Edelweiss Multi Strategy Fund Advisors LLP	7.41	51.12
11	Referral and other fees, Commission and Brokerage Expenses paid to	Edelweiss Broking Limited	35.14	4.18
		Edelweiss Securities Limited	2.33	0.07
		Edelweiss Global Wealth Management Limited	49.70	53.28
12	Cost reimbursements paid to	Edelweiss Financial Services Limited	5.55	0.76
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	39.73	98.69
		Edelweiss Broking Limited (Refer note 54)	0.00	0.29
		Edelweiss Global Wealth Management Limited	0.59	0.05
		Edelweiss Housing Finance Limited	0.02	0.12
		Edelweiss Retail Finance Limited	0.01	-
		Edelweiss Custodial Services Limited	5.95	8.00
		EFSL Trading Limited (formerly EFSL Commodities Limited)	-	0.03
		ECap Equities Limited	-	4.33
		Edelweiss Multi Strategy Fund Advisors LLP	-	0.29
		Edelweiss Securities Limited	0.73	0.41
13	Cost reimbursements received from	Edelweiss Financial Services Limited	0.87	1.89
		Edelweiss Investment Adviser Limited	4.47	1.26
		Edelweiss Multi Strategy Fund Advisors LLP	-	2.62
		Edelweiss Broking Limited (Refer note 54)	1.08	0.00
		Edelweiss Finvest Private Limited	0.32	-
		Edelweiss General Insurance Company Limited	0.09	-
		Edelweiss Housing Finance Limited	0.01	-
		ECap Equities Limited	0.04	-
		EFSL Trading Limited (formerly EFSL Commodities Limited )	0.13	0.13
		Edelweiss Investments Limited	0.05	-
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	0.13	0.40
		ECL Finance Limited	5.43	0.93
		Edelvalue Partners	0.10	0.09
		Edelweiss Alternative Asset Advisors Limited	0.95	0.18
		Edelweiss Mutual Fund	203.73	244.02
14	Expenses on behalf of Mutual Fund paid to	Edelweiss Trusteeship Company Limited	0.58	1.00
15	Management fees received from	Edelweiss Mutual Fund	509.05	488.52
		Edelweiss Alternative Equity Scheme	151.82	-
		Edelweiss Crossover Opportunities Fund - I	118.04	-
		Edelweiss Alpha Fund - Scheme I	147.65	-
		Edelweiss Catalyst Opportunities Fund	20.95	-
		Edelweiss Crossover Opportunities Fund - II	22.77	-
16	Directors sitting fees	Kanu Doshi	0.27	0.29
		U.R. Bhat	0.22	0.25
17	Remuneration paid to (Refer Note 2 below)	Key Management Personnel	37.35	32.02
<b>Balances with related parties (Refer Note 1 below)</b>				
18	Short term loans taken from	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	55.40	719.85
19	Short term loans given to	Edelweiss Multi Strategy Fund Advisors LLP	-	514.80
20	Investments in mutual fund units	Edelweiss Mutual Fund	323.13	523.82
21	Investment in equity shares	Edelweiss India Capital Management	-	6.66
22	Investment in partnership LLP	Edelweiss Multi Strategy Fund Advisors LLP	-	0.10



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

### 28 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure

#### ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2018-19	2017-18
23	Trade payables to	Edelweiss Investment Adviser Limited	-	2.55
		Edelweiss Trusteeship Company Limited	-	0.09
		Edelweiss Broking Limited	6.55	1.78
		Edelweiss Multi Strategy Fund Advisors LLP	-	0.02
		Edelweiss Custodial Services Limited	-	0.95
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	13.39	17.23
		Edelweiss Global Wealth Management Limited	-	0.02
		Edelweiss Housing Finance Limited	-	0.01
		ECap Equities Limited (Refer note 54)	0.03	0.00
		Edelweiss Securities Limited	0.90	0.13
		Edelweiss Financial Services Limited	0.16	0.40
24	Nomination deposits payable to	Edelweiss Financial Services Limited	0.10	0.10
	Short Term Loans & Advances (Prepaid Referral Fees) paid to	Edelweiss Broking Limited	0.30	9.19
		Edelweiss Global Wealth Management Limited	2.45	85.84
		Edelweiss Securities Limited	6.56	0.40
26	Accrued interest on short term loans received from	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	0.25	1.60
27	Advances recoverable in cash or in kind or for value to be received	Edelweiss Mutual Fund	71.43	168.54
28	Trade receivables	Edelweiss Multi Strategy Fund Advisors LLP	-	2.86
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	2.34	1.13
		Edelweiss Broking Limited	-	0.06
		Edelweiss Financial Services Limited	-	0.39
		EFSL Trading Limited (formerly EFSL Commodities Limited)	-	0.32
		ECL Finance Limited	2.17	1.03
		Edelcap Securities Limited	-	0.56
		Edelweiss Housing Finance Limited	0.03	-
		Edelvalue Partners	0.16	0.10
		Edelweiss Investment Advisors Limited	1.04	-
		Edelweiss Alternative Asset Advisors Limited	0.19	0.22
		Edelweiss Multi Strategy Fund Advisors LLP	3.87	1.87
		Edelweiss Finvest Private Limited	0.09	-
		Edelweiss General Insurance Company Limited (Refer note 54)	0.00	-
		Edelweiss Global Wealth Management Limited	7.90	-
		Edelweiss Asset Reconstruction Company Limited	-	0.07

Note: 1. The Intra group company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period

2. Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.



10



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

### 28 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure

#### ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2018-19	2017-18
23	Trade payables to	Edelweiss Investment Adviser Limited	-	2.55
		Edelweiss Trusteeship Company Limited	-	0.09
		Edelweiss Broking Limited	6.55	1.78
		Edelweiss Multi Strategy Fund Advisors LLP	-	0.02
		Edelweiss Custodial Services Limited	-	0.95
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	13.39	17.23
		Edelweiss Global Wealth Management Limited	-	0.02
		Edelweiss Housing Finance Limited	-	0.01
		ECap Equities Limited (Refer note 54)	0.03	0.00
		Edelweiss Securities Limited	0.90	0.13
		Edelweiss Financial Services Limited	0.16	0.40
24	Nomination deposits payable to	Edelweiss Financial Services Limited	0.10	0.10
25	Short Term Loans & Advances (Prepaid Referral Fees) paid to	Edelweiss Broking Limited	0.30	9.19
		Edelweiss Global Wealth Management Limited	2.45	85.84
		Edelweiss Securities Limited	6.56	0.40
26	Accrued interest on short term loans received from	Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	0.25	1.60
27	Advances recoverable in cash or in kind or for value to be received	Edelweiss Mutual Fund	71.43	168.54
28	Trade receivables	Edelweiss Multi Strategy Fund Advisors LLP	-	2.86
		Edelweiss Rural and Corporate Services Limited (formerly Edelweiss Commodities Services Limited)	2.34	1.13
		Edelweiss Broking Limited	-	0.06
		Edelweiss Financial Services Limited	-	0.39
		EFSL Trading Limited (formerly EFSL Commodities Limited)	-	0.32
		ECL Finance Limited	2.17	1.03
		Edelcap Securities Limited	-	0.56
		Edelweiss Housing Finance Limited	0.03	-
		Edelvalue Partners	0.16	0.10
		Edelweiss Investment Advisors Limited	1.04	-
		Edelweiss Alternative Asset Advisors Limited	0.19	0.22
		Edelweiss Multi Strategy Fund Advisors LLP	3.87	1.87
		Edelweiss Finvest Private Limited	0.09	-
		Edelweiss General Insurance Company Limited (Refer note 54)	0.00	-
		Edelweiss Global Wealth Management Limited	7.90	-
		Edelweiss Asset Reconstruction Company Limited	-	0.07

Note: 1. The Intra group company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period

2. Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

### 29 Segment reporting

Company is operating under single business segment i.e., investment management and advisory services. Accordingly, there is no separate reportable segment and hence, no disclosure is made under **Indian Accounting Standard 108 – Operating Segment Reporting**. Further, segmentation based on geography has not been presented as the Company operates only in India.

### 30 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

#### A) Defined contribution plan (provident fund):

Amount of Rs. **15.60 millions** (Previous year: Rs. 5.12 millions) is recognised as expense and included in "Employee benefit expense" – note 25 in the statement of profit and loss.

#### B) Defined benefit plan (gratuity):

The following tables summarize the components of the net benefit expenses recognized in the statement of profit and loss, the funded status and amounts recognized in the balance sheet for the gratuity benefit plan.

##### Statement of profit and loss

Expenses recognized in the statement of profit and loss account:

	2019	2018
Current service cost	3.49	1.52
Interest cost	1.13	0.57
Expected return on plan asset	(0.62)	(0.22)
Past service cost	-	1.41
Actuarial (gain) or loss recognized in the year	1.02	0.46
<b>Employer expense</b>	<b>4.00</b>	<b>3.28</b>

##### Balance sheet

Reconciliation of Defined Benefit Obligation (DBO):

	2019	2018
Present value of DBO at the beginning of the year	11.26	11.66
Acquisition/ (Divesture)	5.52	-
Transfer in / (out)	(0.68)	(3.02)
Interest cost	1.13	0.57
Current service cost	3.49	1.52
Benefits paid	(0.09)	(1.44)
Past service cost	-	1.41
Actuarial (gain)/loss on obligation	1.11	0.57
<b>Present value of DBO at the end of the year</b>	<b>21.74</b>	<b>11.27</b>

Reconciliation of fair value of plan assets:

	2019	2018
Fair value of plan assets at the beginning of the year	2.93	4.05
Expected return on plan asset	0.62	0.22
Contributions	17.80	-
Benefits paid	(0.09)	(1.44)
Actuarial gain/(loss) on plan assets	0.09	0.11
<b>Fair value of plan assets at the end of the year</b>	<b>21.35</b>	<b>2.94</b>





# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

### 30 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits (continued)

Net (liability) / asset recognised in the balance sheet:

Particulars	2019	2018	2017	2016	2015
Present value of defined benefit obligation	21.75	11.26	11.66	4.32	2.97
Fair value of plan assets at the end of the year	21.35	29.31	4.05	4.16	2.91
Amount recognized in balance sheet - asset/(liability)	0.40	(18.05)	7.61	(0.16)	(0.06)

Experience adjustments:

Particulars	2019	2018	2017	2016	2015
On plan liabilities: (gain)/ loss	0.90	0.78	(1.67)	1.12	0.12
On plan assets: gain/ (loss)	-	0.08	0.03	(0.07)	0.27
Estimated contribution for next year	Nil	1.00	1.00	0.05	Nil

Principal actuarial assumptions at the balance sheet date:

	2019	2018
Discount rate	6.70%	7%
Salary escalation	7%	7%
Employee attrition rate	13% - 60%	13% - 60%
Excepted return on plan assets	7%	6.60%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2006-08 (Ult.)

Sensitivity analysis:

DBO increases / (decreases) by	March 31, 2019	March 31, 2018	April 01, 2017
Increase of 1% in Salary Growth Rate	1.07	0.48	0.38
Decrease of 1% in Salary Growth Rate	(0.98)	(0.44)	(0.41)
Increase of 1% in Discount Rate	(0.98)	(0.44)	(0.41)
Decrease of 1% in Discount Rate	1.08	0.48	0.39
Increase of 1% in Withdrawal Rate	(0.12)	(0.04)	(0.05)
Decrease of 1% in Withdrawal Rate	0.12	0.038	0.05
Mortality (Increase in expected lifetime by 1 year)	Negligible change	Negligible change	1.41
Mortality (Increase in expected lifetime by 3 years)	0.00	Negligible change	0.57

Percentage Break-down of Total Plan Assets:

	2019	2018
Insurer Managed Funds (Unit-linked)	99.90%	99.80%
Cash and Bank	0.10%	0.20%

### 31 Employee Stock Option Plans

The Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

### 32 Foreign currency transactions

The Company does not have any foreign currency exposure as on the date of balance sheet. The Company has undertaken the following transactions in foreign currency:

Particulars	2019	2018
Expenditure incurred in foreign currency (on accrual basis)		
Salaries & Bonus – Stipend	-	0.03
Market Data Services	2.16	-
Total	2.16	0.03

### 33 Contingent liabilities, commitments and litigations

#### i. Contingent liabilities

There are no contingent liabilities as on the date of balance sheet. (Previous year: Nil)

#### ii. Commitments

The Company has capital commitments of Rs. 14.28 millions (Previous year: Rs. 3.33 millions) as at the balance sheet date.

#### iii. Litigations

The Company does not have any pending litigations as on the date of balance sheet. (Previous year: Nil)

### 34 Cost sharing

Edelweiss Financial Services Limited, being the holding company along with fellow subsidiaries incurs expenditure like Group mediclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its certain subsidiaries, fellow subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads in note 25 and 26 include reimbursements paid and are net of reimbursements received based on the management's best estimate.

### 35 Details of dues to micro small and medium enterprises

There are Rs. Nil (Previous year: Rs. Nil) dues payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

### 36 Operating leases

The Company has taken various premises on operating lease. Rental expenses (net) for the year ended March 31, 2019 aggregated to Rs. 27.34 millions (Previous year: Rs. 31.80 millions) which has been included under the head Operating expenses – Rent under note 26 in the statement of profit and loss.

Details of future minimum lease payments for the non-cancellable operating lease are as follows:

Particulars	2019	2018
Minimum lease payments for non cancellable lease		
- not later than one year	10.82	33.70
- later than one year and not later than five years	1.13	9.80
- later than five years	-	-
Total	11.95	43.50



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

Future minimum lease payments for the non-cancellable operating lease are before sharing of expenses with group companies.

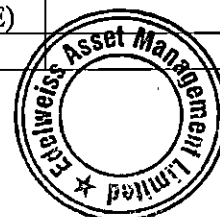
### 37 On account of merger

The Board of Directors of the Company at their meeting held on December 04, 2017 and the shareholders and unsecured creditors of the Company at their respective meetings held on February 26, 2018 approved the proposed scheme of merger u/s 230 to 232 of the Companies Act, 2013 for merger of Edelweiss Multi Strategy Funds Management Private Limited (the Transferor Company) with Edelweiss Asset Management Limited (the Transferee Company) with effect from April 01, 2017, the appointed date. The scheme of merger by absorption of Edelweiss Multi Strategy Funds Management Private Limited (the Transferor Company) with Edelweiss Asset management Limited (the Transferee Company) as sanctioned by the National Company Law Tribunal, Mumbai Bench on November 11, 2018. On completion of all the formalities of the merger of the above company with the Company, the said merger became effective on 01 February, 2019.

Consequent to the merger prescribed by the Scheme, all the assets and liabilities of Transferor Company were transferred to and vested in the Transferee Company with effect from April 01, 2017 ("the Appointed Date").

The merger was accounted under the "pooling of interest" method prescribed under Ind AS 103 - Business Combinations, as prescribed by the Scheme. Accordingly, all the assets, liabilities and other reserves of the Transferor Company were aggregated with those of the Transferee Company at their respective book values from the earliest period presented. On April 01, 2017, in terms of the Scheme of Arrangement, 1,468,293 equity share of Rs. 10 each (Number of Shares 1,468,293) of the Transferee Company has been allotted to the shareholders of Edelweiss Multi Strategy Funds Management Private Limited (the Transferor Company) for every 1 share of Rs. 10 each (Number of Shares 1,468,293) held by them in the share capital of Edelweiss Multi Strategy Funds Management Private Limited (the Transferor Company), after cancellation of 1,32,14,644 shares of the Transferor Company. These shares were considered for the purpose of calculation of earnings per share appropriately. The net effect of Rs. 117.47 millions being the difference between the amount recorded as share capital and the amount of the share capital of Transferor Company has been recorded in Reserves. Accordingly, the resultant difference amounting to Rs. 117.47 millions was credited to capital reserve account.

Particulars	As at April 01, 2017
Tangible assets	1.47
Intangible assets	0.33
Non-Current Investment	6.66
Deferred Tax Assets (net)	0.43
Long-term loans and advances	5.49
Trade receivables	32.24
Cash and bank balances	1027.66
Short-term loans and advances	495.53
Other current assets	5.26
<b>Total Assets (A)</b>	<b>1,575.07</b>
Long-term provisions	1.13
Short-term borrowings	327.87
Trade payables	900.77
Other current liabilities	271.75
Short-term provisions	0.16
<b>Total Liabilities (B)</b>	<b>1501.68</b>
<b>Reserves &amp; Surplus (C)</b>	<b>(58.76)</b>
<b>Net Assets taken over {A-B-C} (D)</b>	<b>132.15</b>
Issue of shares to the shareholders of Transferor Company (E)	14.68
<b>Capital Reserve on Amalgamation (Merger) {D-E}</b>	<b>117.47</b>



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

### 38 Corporate social responsibility (CSR):

As per the provisions of Section 135 of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year was **Rs.Nil** (Financial Year 17-18 Rs.Nil)
- b) Amount spent during the year on:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Constructions / acquisition of any assets	-	-	-
(ii)	On purpose other than (i) above	0.09 (0.05)	- -	0.09 (0.05)

Note: Figures in the bracket are in respect of previous year.

### 39 Risk Management framework:-

#### a) Governance framework

The primary objective of the company's risk and financial management framework is to protect the company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

#### b) Approach to capital management

Company objectives when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

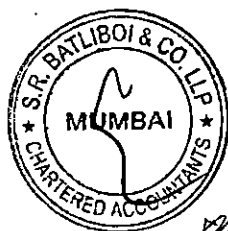
For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Total Debt	55.65	721.45	443.38
Equity	1561.20	1385.56	1239.94
Net Debt to Equity	0.04	0.52	0.36

### 40 Provident Fund

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry association in this regard.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

(Currency: Indian Rupees in millions)

### 41 Credit risk

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables. Company has no significant concentration of credit risk with any counterparty.

The Company's management policy is to closely monitor creditworthiness of counterparties by reviewing their credit ratings, financial statements and press release on regular basis.

The Company's financial assets subject to the expected credit loss model within Ind AS 109 are only short-term trade and other receivables. All trade receivables are expected to be received in three months or less. Company applies the expected credit loss model for recognising impairment loss. Expected credit loss allowance in respect of receivables is computed based on a provision matrix which takes into account historical credit loss experience.

Company is exposed to credit risk on mutual fund investments, however this investment are not subjected to Ind AS 109 impairment requirements as they are measured at FVTPL. The carrying value of these investments, under Ind AS 109 represents the Company's maximum exposure to credit risk on financial instruments not subject to the Ind AS 109 impairment requirements on the respective reporting dates.

Reconciliation of impairment allowance on trade receivables:

Impairment allowance measured as per simplified approach	INR
Impairment allowance as on April 01, 2017	-
Addition/ (Reduction) during the year	13.31
Impairment allowance as on March 31, 2018	13.31
Addition/ (Reduction) during the year	(6.01)
Impairment allowance as on March 31, 2019	7.30

Trade Receivables Aging and Expected Credit loss (ECL):

Year ended	Days past due	1-90days	91-180 days	181-270 days	270- 360 days	more than 360 days	Total
March 31, 2019	ECL rate	0.004%	0.10%	1.26%	12.50%	100.00%	11.47%
	Gross	49.51	2.99	3.34	0.57	7.19	63.60
	ECL	(0.00)	(0.00)	(0.04)	(0.07)	(7.19)	(7.30)
	Net	49.51	2.98	3.30	0.50	-	56.30
March 31, 2018	Gross	161.15	1.19	0.01	6.73	13.31	182.39
	ECL (Refer Note)	-	-	-	-	(13.31)	(13.31)
	Net	161.15	1.19	0.01	6.73	-	169.08
April 01, 2017	Gross	83.66	6.33	3.31	6.41	-	99.71
	ECL (Refer Note)	-	-	-	-	-	-
	Net	83.66	6.33	3.31	6.41	-	99.71

Note: While calibrating matrix, company has never experienced any historical credit loss on receivables within the Group entities. Company has collateral against receivables, hence these receivables does not have any credit risk, thus no credit loss.



# Edelweiss Asset Management Limited

## Notes to the financial statements *(continued)*

(Currency: Indian Rupees in millions)

### **Liquidity Risk:**

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its trade payables earlier than expected. The Company is exposed to cash redemptions of units on a regular basis. Units are redeemable at the holder's option based on the Fund's NAV per share at the time of redemption, calculated in accordance with the Fund's constitution.

The company's policy is to satisfy redemption requests by the following means (in decreasing order of priority):

- Searching for new investors
- Withdrawal of cash deposits
- Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)
- Either disposal of other assets or increase of leverage

Refer Note 42 on maturity analysis of assets and liabilities.

### **Market risks**

Risk which can affect the Company's income or the value of its holdings of financial instruments due to adverse movements in market prices of instrument due to price risk. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.



# Edelweiss Asset Management Limited

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

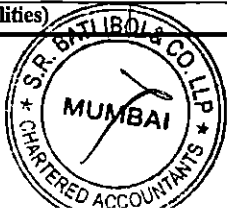
## 42 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2019			March 31, 2018			April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial assets</b>									
Cash and cash equivalents	554.00	-	554.00	517.76	-	517.76	839.13	-	839.13
Other bank balances	2.24	-	2.24	91.55	-	91.55	194.43	-	194.43
Trade receivables	56.30	-	56.30	169.08	-	169.08	99.71	-	99.71
Loans	0.45	-	0.45	519.04	-	519.04	408.63	-	408.63
Investments	221.81	153.12	374.93	475.77	136.04	611.81	440.90	134.16	575.06
Other financial assets	-	29.83	29.83	-	25.76	25.76	-	0.53	0.53
<b>Total (A)</b>	<b>834.80</b>	<b>182.95</b>	<b>1,017.75</b>	<b>1,773.20</b>	<b>161.80</b>	<b>1,935.00</b>	<b>1,982.80</b>	<b>134.69</b>	<b>2,117.49</b>
<b>Non-financial assets</b>									
Current tax assets (net)	-	144.85	144.85	-	88.24	88.24	-	45.20	45.20
Property, plant and equipment	-	26.26	26.26	-	24.66	24.66	-	9.72	9.72
Capital work-in-progress	-	5.74	5.74	-	-	-	-	-	-
Other intangible assets	-	714.64	714.64	-	560.26	560.26	-	560.04	560.04
Other non-financial assets	-	395.92	395.92	-	213.38	213.38	-	247.21	247.21
<b>Total (B)</b>	<b>-</b>	<b>1,287.41</b>	<b>1,287.41</b>	<b>-</b>	<b>886.54</b>	<b>886.54</b>	<b>-</b>	<b>862.17</b>	<b>862.17</b>
<b>Total assets</b>	<b>834.80</b>	<b>1,470.36</b>	<b>2,305.16</b>	<b>1,773.20</b>	<b>1,048.34</b>	<b>2,821.54</b>	<b>1,982.80</b>	<b>996.86</b>	<b>2,979.66</b>

Particulars	March 31, 2019			March 31, 2018			April 01, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>									
Trade payables	88.25	-	88.25	175.47	-	175.47	159.04	-	159.04
Borrowing (other than debt securities)	55.65	-	55.65	721.45	-	721.45	443.38	-	443.38
Other financial liabilities	583.11	-	583.11	488.25	-	488.25	1,060.50	-	1,060.50
<b>Total (A)</b>	<b>727.01</b>	<b>-</b>	<b>727.01</b>	<b>1,385.17</b>	<b>-</b>	<b>1,385.17</b>	<b>1,662.92</b>	<b>-</b>	<b>1,662.92</b>
<b>Non-financial liabilities</b>									
Current tax liabilities (net)	-	-	-	7.04	-	7.04	-	-	-
Provisions	3.37	-	3.37	11.87	-	11.87	10.19	-	10.19
Other non-financial liabilities	-	13.58	13.58	-	31.90	31.90	-	66.61	66.61
<b>Total (B)</b>	<b>3.37</b>	<b>13.58</b>	<b>16.95</b>	<b>18.91</b>	<b>31.90</b>	<b>50.81</b>	<b>10.19</b>	<b>66.61</b>	<b>76.80</b>
<b>Total liabilities</b>	<b>730.38</b>	<b>13.58</b>	<b>743.96</b>	<b>1,404.08</b>	<b>31.90</b>	<b>1,435.98</b>	<b>1,673.11</b>	<b>66.61</b>	<b>1,739.72</b>

<b>Net Assets / (Liabilities)</b>	<b>104.42</b>	<b>1,456.78</b>	<b>1,561.20</b>	<b>369.12</b>	<b>1,016.44</b>	<b>1,385.56</b>	<b>309.69</b>	<b>930.25</b>	<b>1,239.94</b>
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**Edelweiss Asset Management Limited****Notes to the financial statements (continued)**

(Currency : Indian rupees in millions)

**43 Fair Values of Financial Instruments****Key Inputs for Level and 2 Fair Valuation technique:**

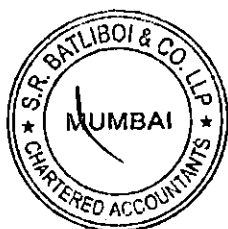
- 1 Mutual Funds : Based on Net Asset Value of the Scheme
- 2 Unquoted Equity investment : Fair Valuation

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

	March 31, 2019			
Particulars	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Mutual fund units	373.74	-	-	373.74
Equity instruments	-	1.19	-	1.19
<b>Total investments measured at fair value</b>	<b>373.74</b>	<b>1.19</b>	<b>-</b>	<b>374.93</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>373.74</b>	<b>1.19</b>	<b>-</b>	<b>374.93</b>

	March 31, 2018			
Particulars	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Mutual fund units	551.30	-	-	551.30
Equity instruments	-	0.99	-	0.99
Others	-	59.52	-	59.52
<b>Total investments measured at fair value</b>	<b>551.30</b>	<b>60.51</b>	<b>-</b>	<b>611.81</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>551.30</b>	<b>60.51</b>	<b>-</b>	<b>611.81</b>

	April 01, 2017			
Particulars	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Mutual fund units	567.46	-	-	567.46
Equity instruments	-	0.94	-	0.94
Others	-	6.66	-	6.66
<b>Total investments measured at fair value</b>	<b>567.46</b>	<b>7.60</b>	<b>-</b>	<b>575.06</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>567.46</b>	<b>7.60</b>	<b>-</b>	<b>575.06</b>



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# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

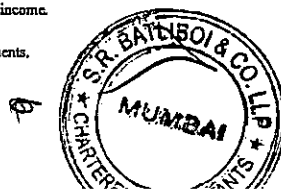
(Currency : Indian Rupees in millions)

### 44 Effect of Ind AS adoption on the Balance Sheet as at March 31, 2018 and April 01, 2017:

	Previous GAAP	As at March 31, 2018 Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	As at April 01, 2017 Effect of transition to Ind AS	As per Ind AS Balance Sheet	Remarks
<b>ASSETS</b>							
<b>Financial assets</b>							
(a) Cash and cash equivalents	517.76	-	517.76	839.13	-	839.13	
(b) Bank balances other than cash and cash equivalents	91.55	-	91.55	194.43	-	194.43	
(c) Trade Receivables	182.39	(13.31)	169.08	99.71	-	99.71	Note 1
(d) Loans	519.04	-	519.04	408.63	-	408.63	
(e) Investments	537.11	74.70	611.81	518.59	56.47	575.06	Note 2
(f) Other financial assets	25.77	(0.01)	25.76	0.53	-	0.53	
	<u>1,873.62</u>	<u>61.38</u>	<u>1,935.00</u>	<u>2,061.02</u>	<u>56.47</u>	<u>2,117.49</u>	
<b>Non-financial assets</b>							
(a) Current tax assets (net)	88.24	-	88.24	45.20	-	45.20	
(b) Deferred tax assets (net)	0.76	(0.76)	-	0.43	(0.43)	-	Note 3
(c) Property, Plant and Equipment	24.66	-	24.66	9.72	-	9.72	
(d) Capital work-in-progress	-	-	-	-	-	-	
(e) Other Intangible assets	440.26	120.00	560.26	560.04	-	560.04	Note 4
(f) Other non- financial assets	213.38	-	213.38	247.21	-	247.21	
	<u>767.30</u>	<u>119.24</u>	<u>886.54</u>	<u>862.60</u>	<u>(0.43)</u>	<u>862.17</u>	
<b>TOTAL ASSETS</b>	<u>2,640.92</u>	<u>180.62</u>	<u>2,821.54</u>	<u>2,923.62</u>	<u>56.04</u>	<u>2,979.66</u>	
<b>LIABILITIES</b>							
<b>Financial liabilities</b>							
(a) Payables							
(i) Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	175.47	-	175.47	159.04	-	159.04	
(b) Borrowings (other than debt securities)	721.45	-	721.45	443.38	-	443.38	
(c) Other financial liabilities	488.26	(0.01)	488.25	1,060.50	-	1,060.50	
	<u>1,385.18</u>	<u>(0.01)</u>	<u>1,385.17</u>	<u>1,662.92</u>	<u>-</u>	<u>1,662.92</u>	
<b>Non-financial liabilities</b>							
(a) Current tax liabilities (net)	7.04	-	7.04	-	-	-	
(b) Provisions	11.87	-	11.87	10.19	-	10.19	
(c) Other non-financial liabilities	31.90	-	31.90	66.61	-	66.61	
	<u>50.81</u>	<u>-</u>	<u>50.81</u>	<u>76.80</u>	<u>-</u>	<u>76.80</u>	
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity share capital	700.00	-	700.00	678.75	-	678.75	
(b) Other equity	504.93	180.63	685.56	505.15	56.04	561.19	Note 5
	<u>1,204.93</u>	<u>180.63</u>	<u>1,385.56</u>	<u>1,183.90</u>	<u>56.04</u>	<u>1,239.94</u>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>2,640.92</u>	<u>180.62</u>	<u>2,821.54</u>	<u>2,923.62</u>	<u>56.04</u>	<u>2,979.66</u>	

#### Notes:

- Expected Credit Loss (ECL) of Rs 13.31 millions (previous year Rs Nil) on trade receivables has been recognised as an Ind AS adjustment on outstanding trade receivables.
- Fair valuation gain of Rs 74.70 millions (previous year - Rs 56.47 millions) on mutual funds and partnership firm has been recognised as Ind AS adjustment on outstanding investments.
- Deferred tax asset recognised under previous GAAP has been reversed under Ind AS, due to absence of reasonable certainty of future taxable income.
- Depreciation of Rs 120 millions on management rights has been reversed under Ind AS as the same has been tested for impairment.
- Adjustment to Equity has been done under Ind AS of Rs 180.63 millions (previous year Rs 56.04 millions) on account of all the above adjustments.



# Edelweiss Asset Management Limited

## Notes to the financial statements (continued)

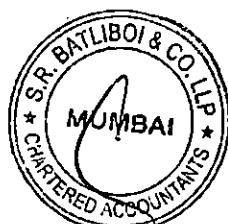
(Currency : Indian Rupees in millions)

### 45 Reconciliation of Total Comprehensive Income for the year ended March 31, 2018:

Particulars	Year ended March 31, 2018
Profit as reported under previous GAAP	(148.96)
<u>Ind AS adjustments on account of:</u>	
Fair valuation of investments designated through Profit and Loss	18.23
Employee Stock Option cost	(5.24)
Actuarial Gain / Loss as per actuary report	0.57
Expected Credit Loss on trade receivables	(13.31)
Reversal of depreciation on intangible assets charged to Profit & Loss	120.00
Deferred tax adjustment on above items	(0.34)
<b>Total effect of transition to Ind AS</b>	<b>119.91</b>
<b>Profit as per Ind AS (after tax)</b>	<b>(29.05)</b>
<b>Other Comprehensive Income for the year (net of tax) -</b>	
<b>Items that will NOT be reclassified to profit or loss</b>	<b>(0.57)</b>
<b>Total Comprehensive Income under Ind AS</b>	<b>(29.62)</b>

### Reconciliation of Total Equity

Particulars	As at March 31, 2018	As at April 01, 2017
<b>Total Equity / Shareholders' Funds as per Previous GAAP</b>	<b>1,204.93</b>	<b>1,183.90</b>
<u>Adjustments:</u>		
Fair valuation of investments designated through Profit and Loss	74.70	56.47
Actuarial Gain / Loss as per actuary report	0.57	-
Expected Credit Loss on Trade Receivables	(13.31)	-
Reversal of depreciation on intangible assets charged to Profit & Loss	120.00	-
Remeasurement gain / loss on defined benefit plans (OCI) (net of tax)	(0.57)	-
Deferred tax adjustment on above items	(0.76)	(0.43)
<b>Total adjustment to Equity</b>	<b>180.63</b>	<b>56.04</b>
<b>Total Equity / Shareholders' Funds as per Ind AS</b>	<b>1,385.56</b>	<b>1,239.94</b>



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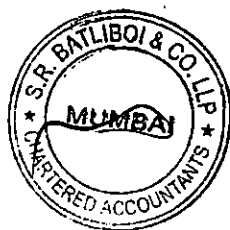
Edelweiss Asset Management Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

46 Total market risk exposure

Particulars	March 31, 2019			March 31, 2018			April 01, 2017 (i.e. March 31, 2017)		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
<b>Assets</b>									
Cash and cash equivalent and other bank balances	556.24	-	556.24	609.31	-	609.31	1,033.56	-	1,033.56
Financial assets at FVTPL	374.93	374.93	-	611.81	552.29	59.52	575.06	568.40	6.66
Loans	0.45	-	0.45	519.04	-	519.04	408.63	-	408.63
Trade receivables	56.30	-	56.30	169.08	-	169.08	99.71	-	99.71
Other Financial Assets	29.83	-	29.83	25.76	-	25.76	0.53	-	0.53
<b>Total</b>	<b>1,017.75</b>	<b>374.93</b>	<b>642.82</b>	<b>1,935.00</b>	<b>552.29</b>	<b>1,382.71</b>	<b>2,117.49</b>	<b>568.40</b>	<b>1,549.09</b>
<b>Liability</b>									
Borrowings (other than Debt Securities)	55.65	-	55.65	721.45	-	721.45	443.38	-	443.38
Trade payables	88.25	-	88.25	175.47	-	175.47	159.04	-	159.04
Other liabilities	583.11	-	583.11	488.25	-	488.25	1,060.50	-	1,060.50
<b>Total</b>	<b>727.01</b>	<b>-</b>	<b>727.01</b>	<b>1,385.17</b>	<b>-</b>	<b>1,385.17</b>	<b>1,662.92</b>	<b>-</b>	<b>1,662.92</b>



## 47 Contractual Maturity Analysis

## A. Analysis of non-derivative financial liabilities by remaining contractual maturities

As at March 31, 2019	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Trade payables	-	-	-	88.25	-	-	-	88.25
Borrowings (other than debt securities)	-	55.65	-	-	-	-	-	55.65
Other financial liabilities	-	-	-	583.11	-	-	-	583.11
<b>Total undiscounted non-derivative financial liabilities</b>	-	<b>55.65</b>	-	<b>671.36</b>	-	-	-	<b>727.01</b>

As at March 31, 2018	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Trade payables	-	-	-	175.47	-	-	-	175.47
Borrowings (other than debt securities)	-	721.45	-	-	-	-	-	721.45
Other financial liabilities	-	-	-	488.25	-	-	-	488.25
<b>Total undiscounted non-derivative financial liabilities</b>	-	<b>721.45</b>	-	<b>663.72</b>	-	-	-	<b>1,385.17</b>

As at April 01, 2017 (i.e. March 31, 2017)	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Trade payables	-	-	-	159.04	-	-	-	159.04
Borrowings (other than debt securities)	-	443.38	-	-	-	-	-	443.38
Other financial liabilities	-	-	-	1,060.50	-	-	-	1,060.50
<b>Total undiscounted non-derivative financial liabilities</b>	-	<b>443.38</b>	-	<b>1,219.54</b>	-	-	-	<b>1,662.92</b>

## B. Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial assets as at March 31.

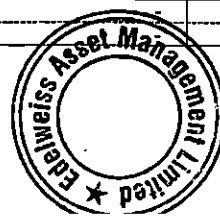
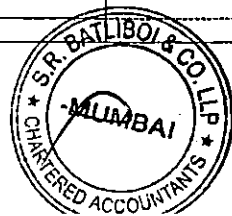
As at March 31, 2019	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	-	556.24	-	-	-	-	-	556.24
Trade receivables	-	-	-	56.30	-	-	-	56.30
Loans	-	-	-	0.45	-	-	-	0.45
Investments at fair value through profit or loss	-	221.81	-	-	-	-	153.12	374.93
Other financial assets	-	-	-	-	-	29.83	-	29.83
<b>Total</b>	-	<b>778.05</b>	-	<b>56.75</b>	-	<b>29.83</b>	<b>153.12</b>	<b>1,017.75</b>

As at March 31, 2018	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	-	609.31	-	-	-	-	-	609.31
Trade receivables	-	-	-	169.08	-	-	-	169.08
Loans	-	-	-	519.04	-	-	-	519.04
Investments at fair value through profit or loss	-	-	-	475.77	-	-	136.04	611.81
Other financial assets	-	-	-	-	-	25.76	-	25.76
<b>Total</b>	-	<b>609.31</b>	-	<b>1,163.89</b>	-	<b>25.76</b>	<b>136.04</b>	<b>1,935.00</b>

As at April 01, 2017 (i.e. March 31, 2017)	On demand	1 to 14 days	15 days to 1 month	2 months to 3 months	3 months to 6 months	1 year to 3 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	-	1,033.56	-	-	-	-	-	1,033.56
Trade receivables	-	-	-	99.71	-	-	-	99.71
Loans	-	-	-	408.63	-	-	-	408.63
Investments at fair value through profit or loss	-	-	-	440.90	-	-	134.16	575.06
Investments (at amortised cost)	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	0.53	-	0.53
<b>Total</b>	-	<b>1,033.56</b>	-	<b>949.24</b>	-	<b>0.53</b>	<b>134.16</b>	<b>2,117.49</b>



**Edelweiss Asset Management Limited****Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

**48 Sensitivity Analysis****Equity price risk**

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

Impact on	2018-19			
	Increase in equity price (%)	Effect on profit before tax	Decrease in equity price (%)	Effect on profit before tax
Investment in Equity shares of MF Utilities	5	0.06	5	(0.06)

Impact on	2017-18			
	Increase in equity price (%)	Effect on profit before tax	Decrease in equity price (%)	Effect on profit before tax
Investment in Equity shares of MF Utilities	5	0.05	5	(0.05)

**Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of market prices other than equity and index prices.

Impact on	2018-19			
	Increase in price (%)	Effect on profit before tax	Decrease in price (%)	Effect on profit before tax
Investment in units of mutual fund	5	18.69	5	(18.69)

Impact on	2017-18			
	Increase in price (%)	Effect on profit before tax	Decrease in price (%)	Effect on profit before tax
Investment in units of mutual fund	5	27.56	5	(27.56)



# Edelweiss Asset Management Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

## 49. Income Tax

The components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

Particulars	2018-19	2017-18
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	6.87
Deferred tax relating to origination and reversal of temporary differences	-	0.31
Deferred tax asset reversed on unused tax credit or unused tax losses	-	(6.87)
<b>Total tax charge</b>	-	0.31
Current tax	-	7.18
Deferred tax	-	(6.87)

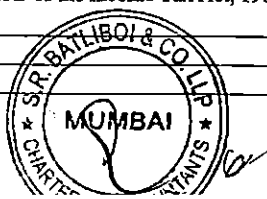
### Reconciliation of total tax charge

Particulars	2018-19	2017-18
Accounting profit before tax as per financial statements	26.75	(28.74)
Tax rate (in percentage)	26.00%	26.00%
<b>Income tax expense calculated based on this tax rate</b>	<b>6.95</b>	<b>(7.47)</b>
Adjustment in respect of current income tax of prior years	-	0.31
Effect of income not subject to tax	(1.04)	(6.40)
Others	6.94	1.30
Effect of non-recognition of deferred tax asset on current-period losses	-	25.24
Effect of recognition of deferred tax asset on prior period losses - earlier not recognised	(8.68)	(12.67)
Others	(4.17)	-
<b>Tax charge for the year recorded in P&amp;L</b>	<b>-</b>	<b>0.31</b>

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2018-19)		Total movement	Closing deferred tax asset / (liability) as per Ind AS
		Recognised in profit or loss	Recognised in other comprehensive income		
<b>Deferred taxes in relation to:</b>					
Property, Plant and Equipment	(52.74)	(24.44)	-	(24.44)	(77.18)
Other investments (equity instruments)	(7.27)	1.20	-	1.20	(6.07)
ESOP cost	1.33	(1.33)	-	(1.33)	-
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	43.64	34.15	-	34.15	77.79
Disallowances u/s 43B of the Income Tax Act, 1961	0.76	-	-	-	0.76
Others	14.28	(9.58)	-	(9.58)	4.70
<b>Total</b>	-	-	-	-	-

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2017-18)		Total movement	Closing deferred tax asset / (liability) as per Ind AS
		Recognised in profit or loss	Recognised in other comprehensive income		
<b>Deferred taxes in relation to:</b>					
Property, Plant and Equipment	0.03	(52.77)	-	(52.77)	(52.74)
Other investments	(7.37)	0.10	-	0.10	(7.27)
ESOP cost	1.33	-	-	-	1.33
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	5.61	38.03	-	38.03	43.64
Disallowances u/s 43B of the Income Tax Act, 1961	0.40	0.36	-	0.36	0.76
Others	-	14.28	-	14.28	14.28
<b>Total</b>	-	-	-	-	-



**Edelweiss Asset Management Limited****Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

**50 Other Ind AS 115 disclosures**

Set out below is the disaggregation of the Company revenue from contracts with customers

Type of Services or service	March 31, 2019	March 31, 2018
Management fees	1,144.68	739.03
Total revenue from contracts with customers		
Geographical markets	-	-
India	1,144.68	739.03
Outside India	-	-
Total revenue from contracts with customers	1,144.68	739.03
Timing of revenue recognition	-	-
Services transferred at a point in time	-	-
Services transferred over time	1,144.68	739.03
Total revenue from contracts with customers	1,144.68	739.03

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. In 2019, release of INR 6.01 million (2018: charge of INR 13.31 million) was recognised for expected credit losses on trade receivable

- 51 The Company does not have any long term contract including derivative contract for which there were any material foreseeable losses.

**52 Statutory Audit**

The financial statement for the year ended March 31, 2019 has been audited by S.R. Batliboi & Co LLP Chartered Accountants. The financial statement for the year ended March 31, 2018 have been audited by an another firm of Chartered Accountants.

- 53 The comparative Ind-AS financial information of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 01, 2017 included in these Ind-AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2018 and March 31, 2017 dated April 28, 2018 and May 15, 2017 respectively, have expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind-AS, which have been audited by the Statutory Auditors.

- 54 For all the amounts below Rs.5,000/- in the schedules and notes of financial statements, the amounts are appearing as zero on account of presentation of financial statements in Indian rupees in millions.




# Edelweiss Asset Management Limited

## Notes to the financial statements (*continued*)

(Currency: Indian Rupees in millions)

### ***Prior period comparatives***

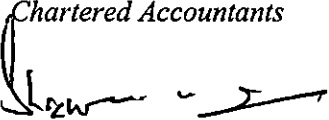
Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached

For **S. R. Batliboi & Co. LLP**

Firm's Registration No:

*Chartered Accountants*



per **Shrawan Jalan**  
*Partner*

Membership No: 102102

For and on behalf of the Board of Directors

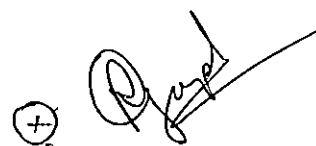
  
**Hemant Daga**  
*Director*

DIN – 07783248

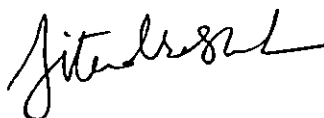


**Kanu Doshi**  
*Director*

DIN – 00577409



**Radhika Gupta**  
*Chief Executive Officer*



**Jitendra Shah**  
*Chief Financial Officer*



**Nirav Sanghavi**  
*Company Secretary*

Mumbai

April 26, 2019



Mumbai

26 April 2019

