

Edel Investments Limited

**Financial Statements
together with Auditors' Report
for the year ended 31 March 2017**

Edel Investments Limited

**Financial statements together with Auditors' Report
for the year ended 31 March 2017**

Contents

Auditors' report

Balance sheet

Statement of profit and loss

Cash flow statement

Notes to the financial statements



KHANDELWAL PRAKASH MURARI BHANDARI & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
EDEL INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Edel Investments Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

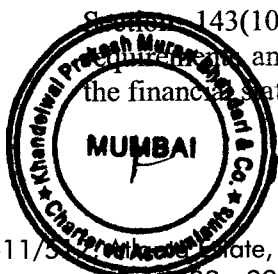
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matter specified in the paragraph 3 and 4 of the order.
- 2) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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, Statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable.

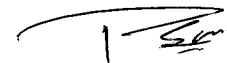


- e) On the basis of the written representations received from the Directors of the company as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any long term contracts including derivative contracts for which any provision required for material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has disclosed the holdings of or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30th December, 2016- Refer note 2.35 to the financial statements.

For **Khandelwal Prakash Murari Bhandari & Co.**

Chartered Accountants

Firm Registration No. 102454W



Punit Soni

Partner

Membership No.173087

Mumbai

08 May 2017



M/S EDEL INVESTMENTS LIMITED

Annexure “A” to Independent Auditor’s Report

The Annexure referred to in Independent Auditor’s Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not own any immovable property as at balance sheet date;
- (ii) Based on our examination of documents and records, the Company did not own any physical inventory at any time during the year. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanation given to us, during the year the Company has not granted any loan, 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, paragraph 3 (iii) of the order is not applicable.
- (iv) The Company has not granted any loans, guarantees, security or has not made any investment which attracts the provisions of section 185 and 186 of the Companies Act 2013. Accordingly, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from public.
- (vi) The Central Government has not prescribed the maintenance of Cost records under section 148 (1) of Act, for the Company.
- (vii)(a) According to the information and explanation given to us and records examined by us, the Company is generally being regular in deposit of undisputed statutory dues including income tax, Provident fund, service tax, or cess and any other material statutory dues applicable to the company. As explained to us the Company does not have any dues on account of Employees’ State Insurance, Sales Tax, Wealth Tax, duty of custom and duty of excise.

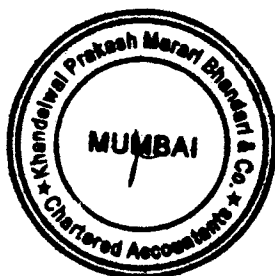
According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of income tax, provident fund, service tax and any other material statutory dues applicable to the company which are outstanding as on 31st March, 2017 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given, there are no dues of service tax, provident fund other material statutory dues applicable to the company which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Provision for loss on Currency Derivatives	34,906	Assessment Year 2014-15	CIT(Appeals)

- (viii) Based on information available and explanations given by the management, the company has not taken any loan from financial institutions, banks, government or debenture holders. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and records examined by us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

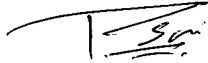


- (xiv) According to the information and explanations give to us and records examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Khandelwal Prakash Murari Bhandari & Co.**

Chartered Accountants

Firm Registration No. 102454W



Punit Soni

Partner

Membership No.173087

Mumbai

08 May 2017



Annexure-B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Edel Investments Limited ("the Company")** as at 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended and as 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 ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standard of Auditing prescribed under section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, 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 Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

Firm Registration No. 102454W


Punit Soni

Partner

Membership No.173087

Mumbai

08 May 2017



Edel Investments Limited

Balance Sheet

(Currency : Indian Rupees)

	Note	As at 31 March 2017	As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	38,200,000	38,200,000
(b) Reserves and surplus	2.2	80,037,930	(5,085,384)
		<u>118,237,930</u>	<u>33,114,616</u>
Non-current liabilities			
Long-term provisions	2.3	-	8,000
Current liabilities			
(a) Short-term borrowings	2.4	1,605,686,848	190,994,232
(b) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	2.31	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.5	1,201,252	1,939,727
(c) Other current liabilities	2.6	15,228,487	5,661,479
(d) Short-term provisions	2.7	10,736,740	-
		<u>1,632,853,327</u>	<u>198,595,438</u>
TOTAL		<u><u>1,751,091,257</u></u>	<u><u>231,718,054</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	2.8		
Tangible assets		5,128	-
(a) Non-current investments	2.9	1,522,530,000	-
(b) Deferred tax assets (Net)	2.10	36,508,633	2,645
(c) Long-term loans and advances	2.11	8,869,776	226,047
		<u>1,567,913,537</u>	<u>228,692</u>
Current assets			
(a) Stock-in-trade	2.12	34,007,273	62,881,817
(b) Trade receivables	2.13	180,021	12,761,773
(c) Cash and cash equivalents	2.14	2,476,542	24,240,980
(d) Short-term loans and advances	2.15	12,310,155	11,308,095
(e) Other current assets	2.16	134,203,729	120,296,697
		<u>183,177,720</u>	<u>231,489,362</u>
TOTAL		<u><u>1,751,091,257</u></u>	<u><u>231,718,054</u></u>

Significant accounting policies and notes to financial statements.

1 & 2

As per our report of even date attached.


For Khandelwal Prakash Murari Bhandari & Co.
Chartered Accountants
Firms' Registration No. 102454W

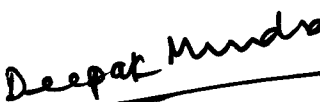

Punit Soni
Partner
Membership No: 173087

Mumbai
08 May 2017



For and on behalf of the Board of Directors


Ankitava Pal
Director
DIN: 06710030


Deepak Mundra
Director
DIN: 06733120

Mumbai
08 May 2017

Edel Investments Limited

Statement of Profit and Loss

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations			
Income from treasury operations and investments	2.17	207,545,706	(60,236,732)
Sale of commodities		-	6,894,956,807
Interest income	2.18	1,397,992	7,028,401
Other income	2.19	416	15,338
Total revenue		208,944,114	6,841,763,814
Expenses			
Purchases of commodities		-	6,793,726,693
Employee benefit expenses	2.20	1,412,587	3,553,757
Finance costs	2.21	148,830,907	63,315,527
Depreciation and amortization expenses	2.8	99	-
Other expenses	2.22	10,083,195	10,255,264
Total expenses		160,326,788	6,870,851,241
Pofit/(loss) before tax		48,617,326	(29,087,427)
Tax expense:			
Income tax		10,076,000	13,516
MAT credit entitlement		(10,076,000)	(1,101,141)
Deferred tax charge/(benefit)		(36,505,988)	8,596
Profit/(loss) after tax for the year		85,123,314	(28,008,398)
Earnings per equity share (Face value of Rs. 10 each)	2.28		
(1) Basic		25.26	(31.21)
(2) Diluted		25.26	(31.21)

Significant accounting policies and notes to financial statements.

1 & 2

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.
Chartered Accountants
Firms' Registration No. 102454W


Punit Soni
Partner
Membership No: 173087

Mumbai
08 May 2017



For and on behalf of the Board of Directors


Amitava Pal
Director
DIN: 06710030

Mumbai
08 May 2017


Deepak Mundra
Director
DIN: 06733120

Edel Investments Limited

Cash Flow Statement

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A Cash flow from operating activities		
Profit/(loss) before taxation	48,617,326	(29,087,427)
Adjustments for		
Interest income	(8,777)	(3,641,496)
Depreciation	99	-
Interest expense	148,830,792	63,319,207
Provision for gratuity and compensated leave absences	(8,000)	(26,000)
Operating cash flow before working capital changes	197,431,440	30,564,284
Adjustments for working capital changes		
Decrease/(increase) in trade receivables	12,581,752	(11,342,895)
Decrease/(increase) in stock in trade	28,874,544	(62,881,817)
Decrease/(increase) in loans and advances	117,212	(138,761)
Decrease in other assets	(14,794,958)	(64,104,963)
(Decrease)/increase in liabilities and provisions	(1,595,794)	1,759,983
Cash generated from/(used in) from operations	222,614,196	(106,144,169)
Income tax paid / (refund)	660,740	(197,650)
Net cash generated from/(used in) operating activities - A	223,274,936	(106,341,819)
B Cash flow from investing activities		
Purchase of fixed assets	(5,227)	-
Investment in property	(1,522,530,000)	-
Interest received	21,701	3,756,081
Decrease in short term/long term loans and advances (net) (Refer note 2)	313,000	21,100,000
Net cash (used in)/generated from investing activities - B	(1,522,200,526)	24,856,081
C Cash flow from financing activities		
Proceeds from issue of equity	-	25,000,000
Proceeds from short term borrowings (net) (refer note 2)	1,414,692,616	104,652,351
Interest paid	(138,406,465)	(60,477,011)
Net cash generated from financing activities - C	1,276,286,151	69,175,340
Net decrease in cash and cash equivalents (A+B+C)	(22,639,438)	(12,310,398)
Cash and cash equivalents as at the beginning of the year	24,240,980	36,551,378
Cash and cash equivalents as at the end of the year (refer note 1)	1,601,542	24,240,980

Notes:

- 1 Cash and cash equivalents include the following:

Balances with scheduled banks:

In current accounts

Cash and cash equivalents (refer note 2.14)

1,601,542	24,240,980
1,601,542	24,240,980

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

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.
Chartered Accountants
Firms' Registration No. 102454W


Punit Soni
Partner
Membership No: 173087

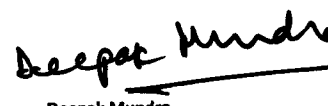
Mumbai
08 May 2017



For and on behalf of the Board of Directors


Amitava Pal
Director
DIN: 06710030

Mumbai
08 May 2017


Deepak Mundra
Director
DIN: 06733120

Edel Investments Limited

Notes to the financial statements

(Currency: Indian Rupees)

1. Significant accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

Liabilities

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.



Edel Investments Limited

Notes to the financial statements *(continued)*

(Currency: Indian Rupees)

1. Significant accounting policies (continued)

1.4 Revenue recognition

- Income from treasury operations comprises of profit/loss on sale of securities and profit/loss on derivative instruments.
 - i) Profit/loss on sale of securities is determined based on the weighted average cost of the securities sold.
 - ii) Realised profit/loss on closed positions of derivative instruments is recognised on final settlement on squaring-up of the contracts. Outstanding derivative contracts in the nature of forwards/futures/options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, market intermediary quotes, valuation techniques are used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.
- Interest income is recognised on accrual basis.
- Dividend income is recognised when the right to receive payment is established.
- Commodities sales are accounted when all obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.

1.5 Impairment of 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. The recoverable amount is the greater of the net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs 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.



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

1. *Significant accounting policies (continued)*

1.6 *Foreign currency transactions*

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

1.7 *Stock-in-trade*

- The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and disclosed as current assets.
- The securities held as stock-in-trade are valued at lower of weighted average cost or market value.
- In case of units of mutual funds held as stock-in-trade, net asset value is considered as fair value.
- Stock-in-trade in the form of commodities are valued at cost or net realisable value, whichever is lower.

1.8 *Earnings per share*

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share”. Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during 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 the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

1. *Significant accounting policies (continued)*

1.9 *Employee benefits*

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

Provident fund

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

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, 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 actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

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

Compensated leave absences

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

Deferred bonus

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles. These assumptions and principles are consistent with the requirements of Accounting Standard 15 (Revised 2005).



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

1. *Significant accounting policies (continued)*

1.10 *Taxation*

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

Current tax

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

Deferred tax

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

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 at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.11 *Provisions and contingencies*

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

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

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



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

1.12 Fixed assets and depreciation

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

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.

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

Class of assets	Useful life
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.1 Share capital

Authorised :

4,500,000 (Previous year 4,500,000) Equity shares of Rs. 10/- each
500,000 (Previous year: 500,000) Preference shares of Rs. 10/- each

As at
31 March 2017

As at
31 March 2016

45,000,000	45,000,000
5,000,000	5,000,000
50,000,000	50,000,000

Issued, Subscribed and Paid up:

3,370,000 (Previous year: 3,370,000) Equity shares of Rs. 10/- each, fully paid-up

33,700,000 33,700,000

450,000 (Previous year: 450,000) 7% Redeemable non-cumulative,
non-convertible, preference shares of Rs. 10 each

4,500,000 4,500,000

38,200,000	38,200,000
-------------------	-------------------

Note:

3,370,000 (Previous year: 3,370,000) equity shares of Rs. 10 each fully paid up are held by Edelweiss Financial Services Limited, the holding company and its nominees

450,000 preference shares (Previous year: 450,000) are held by Edelweiss Financial Services Limited, the holding company

Reconciliation of number of shares outstanding :

Number of shares outstanding at the beginning of the year
Shares issued during the year
Number of shares outstanding at the end of the year

3,370,000	870,000
-	2,500,000
3,370,000	3,370,000

Reconciliation of share capital:

Share capital at the beginning of the year
Share capital issued during the year
Share capital at the end of the year

33,700,000	8,700,000
-	25,000,000
33,700,000	33,700,000

Reconciliation of number of preference shares outstanding:

Number of shares outstanding at the beginning of the year
Shares issued during the year
Number of shares outstanding at the end of the year

450,000	450,000
-	-
450,000	450,000

Reconciliation of preference share capital:

Share capital at the beginning of the year
Share capital issued during the year
Share capital at the end of the year

4,500,000	4,500,000
-	-
4,500,000	4,500,000

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

Terms/rights attached to preference shares:

The Preference Shares of Rs. 10 each were allotted on March 31, 2015 for cash at a premium of Rs.10 per share. The Preference Shares will be redeemed at the end of 10 years from the date of allotment. The Shares would be redeemed at Rs. 20 /- per share with an option to the Company to redeem the Shares at any time after a period of 3 months from the date of allotment.

2.2 Reserves and surplus

Securities Premium Account - Opening balance
Add : Additions during the year
Securities Premium Account - Closing balance

16,800,000 16,800,000

- -

16,800,000 **16,800,000**

Statement of profit and loss

Opening balance

(21,885,384) 6,123,014

Add: Profit/(loss) for the year

85,123,314 (28,008,398)

Net surplus/(deficit) in the statement of profit and loss

63,237,930 (21,885,384)

80,037,930 (5,085,384)



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	-	6,000
Compensated leave absences	-	2,000
	<u>-</u>	<u>8,000</u>
2.4 Short-term borrowings		
<i>Unsecured</i>		
Loan from related parties (repayable on demand, at rate of interest 10 % p. a.)	605,686,848	190,994,232
Loan from Others (repayable on demand, at rate of interest 11.50% p.a.)	1,000,000,000	-
	<u>1,605,686,848</u>	<u>190,994,232</u>
2.5 Trade payables		
Trade payables to non-related parties	1,193,870	1,877,784
Trade payables to related parties (Including sundry creditors and provision for expenses)	7,382	61,943
	<u>1,201,252</u>	<u>1,939,727</u>
2.6 Other current liabilities		
Interest accrued and due on borrowings	13,421,264	2,996,937
Premium received on exchange traded options	801,823	-
Accrued salaries and benefits	-	100,000
Withholding tax and other taxes payable	1,005,400	2,564,542
	<u>15,228,487</u>	<u>5,661,479</u>
2.7 Short-term provisions		
Provision for taxation (net of tax deducted at source Rs. 139,149 (Previous year Rs. Nil))	10,736,740	-
	<u>10,736,740</u>	<u>-</u>



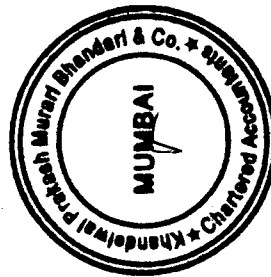
Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2.8 Fixed assets

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 1 April 2016	Additions during the year	Deductions during the year	As at 31 March 2017	As at 1 April 2016	Additions during the year	As at 31 March 2017	As at 31 March 2016
Tangible assets								
Computers	-	5,227	-	5,227	-	99	5,128	-
Grand Total	-	5,227	-	5,227	-	99	5,128	-



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.9 Non-current investments		
Others (unquoted)		
Investment in property	1,522,530,000	-
	<u>1,522,530,000</u>	<u>-</u>
2.10 Deferred tax assets (Net)		
Deferred tax assets		
DTA on unabsorbed loss	48,230,401	-
Provision for doubtful debts/advances	-	2,645
	<u>48,230,401</u>	<u>2,645</u>
Deferred tax liabilities		
Tax effect of timing differences on account of:		
Unrealised gain on equity/derivative instruments	11,721,282	-
Difference between book and tax depreciation	486	-
	<u>11,721,768</u>	<u>-</u>
	<u>36,508,633</u>	<u>2,645</u>
2.11 Long-term loans and advances		
Other deposits	45,000	45,000
(Current year Rs. 45,000 (previous year Rs.45,000), marked as 'lien in favour of Value Added Tax authorities)		
Advance income taxes (net of income tax provision Rs. 2,945,825 (Previous year Rs. Nil))	8,824,776	181,047
	<u>8,869,776</u>	<u>226,047</u>
2.12 Stock-in-trade		
Equity shares (quoted)	34,007,273	62,881,817
	<u>34,007,273</u>	<u>62,881,817</u>
Aggregate of inventories in equity shares (quoted)		
- At carrying value	34,007,273	62,881,817
- At market value	34,007,273	62,881,817



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

2.12 Stock-in-trade (Continued) Details of Stock-in-trade

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Max Financial Services Limited	-	-	-	2	64,182	22,081,817
GVK Power & Infrastructure Limited	10	5,715,508	34,007,273	10	6,000,000	40,800,000
			<u>34,007,273</u>			<u>62,881,817</u>



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.13 Trade receivables		
Other debts		
Unsecured, considered good	180,021	12,761,773
	<u>180,021</u>	<u>12,761,773</u>
Out of above, the total trade receivables from related parties	180,021	12,761,773
2.14 Cash and cash equivalents		
Balances with banks		
- in current accounts	1,601,542	24,240,980
Other balances with banks		
In fixed deposits, held as margin money or security against borrowings, guarantees (refer note 2.34)	875,000	-
	<u>2,476,542</u>	<u>24,240,980</u>
2.15 Short-term loans and advances		
<i>Unsecured</i>		
Loans and advances to others	-	313,000
Other loans and advances		
Advances to others	-	30,025
Prepaid expenses	42,528	-
Vendor Advances	909,439	1,039,153
Advance tax and tax deducted at source	181,047	8,824,776
MAT credit entitlement	11,177,141	1,101,141
	<u>12,310,155</u>	<u>11,308,095</u>
2.16 Other current assets		
Accrued interest on fixed deposits	6,514	-
Accrued interest on loans given	-	12,925
Accrued interest on margin	53,698	83,298
Currency options premium paid	899,673	1,050,000
Equity index/stock options premium account	-	1,549,613
Margin placed with broker	133,243,844	117,600,861
	<u>134,203,729</u>	<u>120,296,697</u>



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
2.17 Income from treasury operations and investments		
Profit/(loss) on trading of securities (net)	23,952,347	(166,354,473)
Profit/(loss) on trading in equity derivative Instruments (net)	30,161,987	(8,903,286)
Profit on trading in commodity derivative instruments (net)	-	17,107,472
Profit/(loss) on trading in currency derivative instruments (net)	38,665,014	(39,007,191)
Profit on trading in interest rate derivative (net)	114,766,358	5,410,746
Dividend on stock in trade	-	131,510,000
	207,545,706	(60,236,732)
2.18 Interest income		
Interest income on loan	8,777	3,641,496
Interest income on fixed deposits	6,514	1,784,235
Interest income on margin with brokers	1,382,701	1,602,670
	1,397,992	7,028,401
2.19 Other income		
Miscellaneous income	416	2,500
Interest income - others	-	12,838
	416	15,338



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.20 Employee benefit expenses

	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries and wages	1,272,493	3,509,444
Contribution to provident and other funds (refer note 2.27)	62,760	24,125
Staff welfare expenses	77,334	20,188
	<u>1,412,587</u>	<u>3,553,757</u>

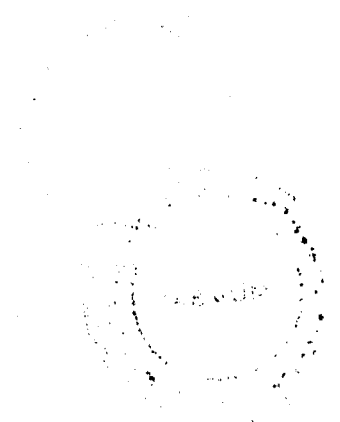
2.21 Finance costs

Interest on loan from holding company	26,359	99,845
Interest on loan from fellow subsidiaries	144,538,791	63,219,362
Interest - others	4,265,642	(3,766)
Financial and bank charges	115	86
	<u>148,830,907</u>	<u>63,315,527</u>

2.22 Other expenses

Advertisement and business promotion	7,982	-
Auditors' remuneration (refer note 2.25)	105,500	51,989
Commission and brokerage	2,067,577	4,759,550
Communication	158,350	7,500
Clearing and custodian charges	270,000	322,125
Electricity charges (refer note 2.33)	182,391	25,166
Legal and professional fees	1,699,237	234,591
Office expenses	(28,641)	30,025
Printing and stationery	4,320	2,095
Rates and taxes	213,073	9,183
Rent (refer note 2.33)	627,439	213,681
Security transaction tax	2,984,775	2,439,022
Service tax expenses	282,512	229,518
Stamp duty	843,139	1,840,152
Stock exchange expenses	16,811	8,587
Transportation Charges	2,795	1,500
Warehousing charges	305	15,000
Miscellaneous expenses	-	65,580
	<u>10,083,195</u>	<u>10,255,264</u>





Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.23 Segment reporting

The Company has operated only in one business segment during the year viz. capital based business comprising of trading and investment activities. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements. Since business operations of the Company are concentrated in India, the Company is considered to operate only in domestic segment and therefore there is no reportable geographical segment.

2.24 Related Parties

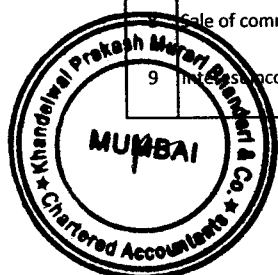
In accordance with Accounting Standard 18 on Related party transactions notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i. List of related parties and relationship:

Name of related parties by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Commodities Services Limited Ecap Equities Limited Edelweiss Business Services Limited (Formerly known as Edelweiss Web Services Limited) Edelweiss Securities Limited Edel Commodities Trading Limited EC Commodity Limited Edelweiss Custodial Services Limited Edel Land Limited

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2017	For the year ended 31 March 2016
	Capital account transactions during the year			
1	Issue of Equity share capital to	Edelweiss Financial Services Limited	-	25,000,000
	Current account transactions during the year			
2	Short term loans taken from (refer note below)	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	8,505,302,888 -	3,302,489,550 7,805,000
3	Short term loans repaid to (refer note below)	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	8,089,495,147 1,115,125	3,198,952,324 6,689,875
4	Short term loans repaid by (refer note below)	Ecap Equities Limited	-	500,000
5	Margins placed with (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	113,017,167 96,966,739	609,598,771 -
6	Margins withdrawn by (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	206,653,883 826,936	532,789,295 -
7	Purchase of commodities from	EC Commodity Limited	-	4,634,055,274
8	Sale of commodities to	Edel Commodities Trading Limited	-	2,231,841,174
9	Interest income on loans given to	Ecap Equities Limited	-	26,236



Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

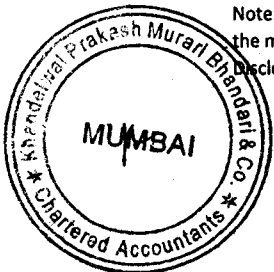
2.24 Related Parties (continued)

ii. Transactions with related parties (continued)

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2017	For the year ended 31 March 2016
10	Interest income on margins placed with	Edelweiss Securities Limited Edelweiss Custodial Services Limited	1,278,591 104,110	1,602,670 -
11	Net amount incurred on settlement of forward contracts with	Edel Land Limited	-	4,005,000
12	Interest expense on loans taken from	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	144,538,791 26,359	63,219,362 99,845
13	Reimbursements paid to	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edelweiss Business Services Limited	2,470,422 2,640,202 302,625	2,458,212 - 48,206
14	Clearing charges paid to	Edelweiss Securities Limited Edelweiss Custodial Services Limited	252,750 17,250	290,000 -
15	Brokerage paid to	Edelweiss Securities Limited	956,283	1,006,775
16	Cost reimbursements paid to	Edelweiss Securities Limited Edelweiss Commodities Services Limited Edelweiss Financial Services Limited Edelweiss Business Services Limited	- 809,830 77,334 4,940	500,000 304,427 - -
17	Processing fees paid to	Edelweiss Business Services Limited	2,090	-
	Balances with related parties			
18	Short term loans taken from	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	605,686,848 -	189,879,107 1,115,125
19	Trade payables to	Edelweiss Commodities Services Limited Edelweiss Business Services Limited	- 7,382	59,853 2,090
20	Interest payable on loans taken from	Edelweiss Commodities Services Limited Edelweiss Financial Services Limited	10,302,086 -	2,991,974 4,963
21	Trade receivables from	Edelweiss Securities Limited Edelweiss Financial Services Limited	180,022 -	12,760,151 1,623
22	Interest receivable on margins placed with	Edelweiss Securities Limited Edelweiss Custodial Services Limited	23,319 30,379	83,298 -
23	Margin placed with	Edelweiss Securities Limited Edelweiss Custodial Services Limited	37,104,042 96,139,803	117,600,861 -

Note: Loan given/taken to/from related 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.

Disclosure under section 186(4) of the Companies Act, 2013 for loans and guarantee : Loans have been given for general business purpose.



Edel Investments Limited

Notes to the financial statements (continued)

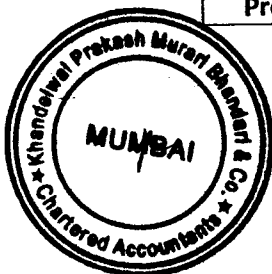
(Currency: Indian Rupees)

2.25 Auditors' remuneration

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
As auditors	48,000	42,500
Others	57,500	9,489
Total	105,500	51,989

2.26 Details of purchase, sale and change in stock-in-trade:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
a) Securities		
Opening stock		
Mutual fund	-	-
Equity shares	62,881,817	-
Subtotal	62,881,817	-
Purchase		
Mutual fund	-	400,000,000
Equity shares	72,235,572	1,032,810,480
Subtotal	72,235,572	1,432,810,480
Sales		
Mutual fund	-	247,343,750
Equity shares	125,062,463	956,230,440
Subtotal	125,062,463	1,203,574,190
Closing stock		
Mutual fund	-	-
Equity shares	34,007,273	62,881,817
Subtotal	34,007,273	62,881,817
Profit / (loss) on trading of securities	23,952,347	(166,354,473)





Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.26 Details of purchase, sale and change in stock-in-trade (continued)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
b) Commodities		
Opening stock		
Bullion	-	-
Subtotal	-	-
Purchase		
Bullion	-	6,793,726,693
Subtotal	-	6,793,726,693
Sale		
Bullion	-	6,894,956,807
Subtotal	-	6,894,956,807
Closing stock		
Bullion	-	-
Subtotal	-	-
Profit on trading of commodities	-	101,230,114



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

2. 27 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits:

A) Defined contribution plan (provident fund)

Amount of Rs. 62,760 (Previous year: Rs. 24,125) is recognised as expenses and included in "employee benefit" – Notes 2.20 in the statement of profit and loss.

(B) Defined benefit plan (gratuity):

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

Statement of profit and loss of the year

Net employee benefit expenses (recognised in employee cost):

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Current service cost	-	3,000
Interest on defined benefit obligation	-	2,000
Actuarial gain	(6,000)	(24,000)
Total included in employee benefit expenses	(6,000)	(19,000)

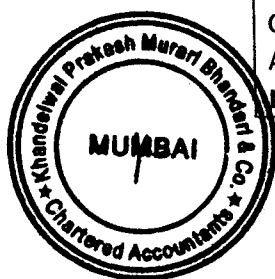
Balance sheet

Details of provision for gratuity:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Liability at the end of the year	-	6,000
Amount in balance sheet	-	6,000

Changes in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Transfer in/(out)	-	2,000
Interest cost	-	2,000
Current service cost	-	3,000
Actuarial gain on obligations	(6,000)	(24,000)
Liability at the end of the year	-	6,000



Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

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

Non-current liability at the end of the year	Nil
Current liability at the end of the year	Nil

Amount recognised in the balance sheet:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Liability at the end of the year	-	6,000
Fair value of plan assets at the end of year	-	-
Amount recognized in balance sheet	-	6,000

Experience adjustment:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
On plan liabilities gain	-	(24,000)
On plan assets gain	-	-
Estimated contribution for next year	-	(24,000)

Principle actuarial assumptions at the balance sheet date:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Discount rate current	-	7.40%
Salary escalation current	-	7.00%
Employees attrition rate	-	13%-25%



Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.28 Earnings per share

In accordance with Accounting Standard 20 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:			
	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
(a)	Profit / (loss) after tax (as per statement of profit and loss)	85,123,314	(28,008,398)
	Less: Dividend on preference share capital	-	-
	Net profit / (loss) for the year attributable to equity shareholders	85,123,314	(28,008,398)
(b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	3,370,000	870,000
	Number of Shares issued during the year	-	2,500,000
	Total number of equity shares outstanding at the end of the year	3,370,000	3,370,000
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	3,370,000	897,322
(c)	Basic and diluted earnings per share (in rupees) (a)/(b)	25.26	(31.21)

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

2.29 The following currency futures have open interests as on the balance sheet date:

Open interests currency futures-USD INR as on the balance sheet date

Sr. No	Name of currency future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position – USDINR	989	989,000	-	-
2	Short position – USDINR	30,300	30,300,000	15,500	15,500,000



Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

Open interests Interest rate futures-IRC as on the balance sheet date

Sr. no.	Name of future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long Position	2	4,000		
2	Short position	722	1,444,000	-	-

The following currency option contracts are outstanding as on balance sheet date:

Name of currency option	Total premium carried forward	
	As at 31 March 2017	As at 31 March 2016
USDINR	97,850	1,050,000

The following equity index/stock futures have open interests as on the balance sheet date:

Sr. no.	Name of future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	-	-	700	2,294,800
2	Short position	-	-	253	582,705

The following option contracts are outstanding as on balance sheet date:

Particulars	As at 31 March 2017	As at 31 March 2016
Total premium carried forward	-	1,549,613

2.30 Earnings and expenditure in foreign currency

The Company did not have any earnings or expenditure in foreign currency during the reporting year (previous year Rs. Nil).



Edel Investments Limited

Notes to the financial statements *(continued)*

(Currency: Indian Rupees)

2.31 Details of dues to micro and small enterprises

Trade Payables includes Rs. Nil (previous year: Rs. Nil) 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.

2.32 Capital commitments and contingent liabilities

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

2.33 Cost Sharing:

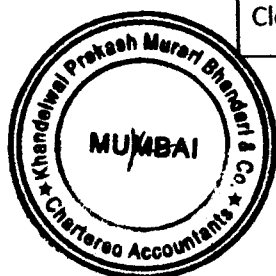
Edelweiss Commodities Services Limited (ECSL) ("The fellow subsidiaries") incurs expenditure like common senior management compensation cost, electricity and rent which is for the benefit of the Company. These costs so expended are reimbursed by the Company on the basis of number of employees, area occupied and time spent by employees of ESL and ECSL for the company, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in note 2.22 are gross of the reimbursement.

2.34 Additional disclosure on fixed deposits

The Company has pledged fixed deposits aggregating to Rs. 875,000 (Previous year: Rs. Nil) with Bombay Stock Exchange for meeting margin requirements.

2.35 Disclosure on Specified Bank notes (SBN's) pursuant to notification as per amended Schedule III of the Companies Act, 2013:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-



Edel Investments Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

2.36 Previous year comparatives

Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.
Chartered Accountants
Firm Registration No. 102454W



Punit Soni

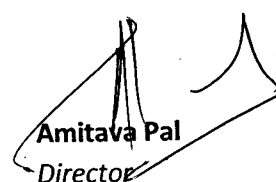
Partner

Membership No: 173087

Mumbai
08 May 2017



For and on behalf of the Board of Directors

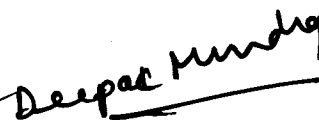


Amitava Pal

Director

DIN: 06710030

Mumbai
08 May 2017



Deepak Mundra

Director

DIN: 06733120