

# Price Waterhouse Chartered Accountants LLP

## TO THE MEMBERS OF EDELWEISS FINVEST PRIVATE LIMITED

### Report on the Financial Statements

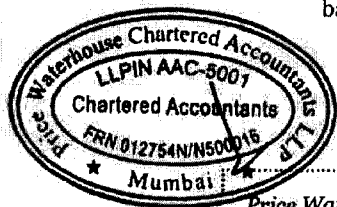
1. We have audited the accompanying financial statements of Edelweiss Finvest Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.,

### Management's Responsibility for the Financial Statements

2. 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 to 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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 auditors' 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.
7. 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.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To the Members of Edelweiss Finvest Private Limited

Report on the Financial Statements

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### Opinion

8. 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 March 31, 2018, and its profit and its cash flows for the year ended on that date.

### Other Matter

9. The financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 16, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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, 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;
  - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A;



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

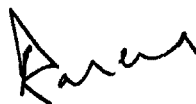
To the Members of Edelweiss Finvest Private Limited

Report on the Financial Statements

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- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its financial statements – Refer Note 2.34;
  - ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 2.5, 2.9 and 2.70;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018; and
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 01256N/N500016  
Chartered Accountants



Russell I Pareera  
Partner  
Membership Number : 42190

Mumbai  
May 02, 2018

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Edelweiss Finvest Private Limited on the financial statements for the year ended March 31, 2018

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## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

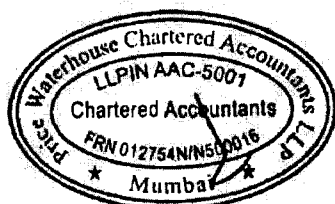
1. We have audited the internal financial controls over financial reporting of Edelweiss Finvest Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. 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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Edelweiss Finvest Private Limited on the financial statements for the year ended March 31, 2018

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## Meaning of Internal Financial Controls Over Financial Reporting

6. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

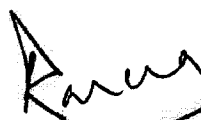
## Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, 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 March 31, 2018, 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 Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016  
Chartered Accountants



Russell I Parera  
Partner  
Membership Number : 42190

Mumbai  
May 02, 2018

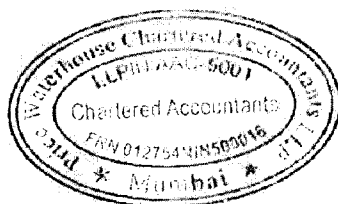
# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Finvest Private Limited on the financial statements as of and for the year ended March 31, 2018

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- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.  
  
(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.  
  
(c) The title deeds of immovable properties, as disclosed in Note 2.10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The verification of securities held as stock in trade have been conducted on the basis of statement of holding received from the Depository Participants and account statement of Mutual Fund at reasonable intervals by the Management during the year.
- iii. 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company being a Non-banking financial Company and therefore, the provisions of Clause 3(iv) of the said Order in respect of Section 185 and 186 (2) is not applicable.  
  
In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 (1) of the Companies Act, 2013 as applicable, in respect of investment made.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including profession tax, provident fund, employees' state insurance, income tax, service tax, goods and service tax with effect from July 1, 2017, value added tax, cess, TDS and other material statutory dues, as applicable, with the appropriate authorities.



# Price Waterhouse Chartered Accountants LLP

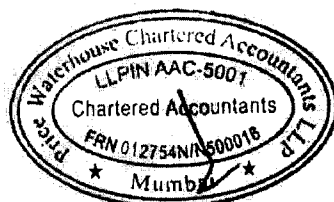
## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Finvest Private Limited on the financial statements for the year ended March 31, 2018  
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(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of customs, duty of excise, value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	47.10	Assessment Year 2014-15	Commissioner of Income Tax (A)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



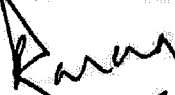
# **Price Waterhouse Chartered Accountants LLP**

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Finvest Private Limited on the financial statements for the year ended March 31, 2018  
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- xv. The Company has not entered into any non -cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non- Banking Financial Institution.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



Russell I Pareira  
Partner  
Membership Number : 42190

Mumbai  
May 02, 2018



# Edelweiss Finvest Private Limited

## Balance sheet

(Currency : Indian rupees)

	Note	As at 31 March 2018	As at 31 March 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	333,258,750	255,129,000
Reserves and surplus	2.2	8,051,066,932	5,141,836,803
		<u>8,384,325,682</u>	<u>5,396,965,803</u>
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	9,011,324,185	4,740,997,860
Deferred tax liabilities (net)	2.12	-	3,867,177
Other long-term liabilities	2.4	2,347,724,770	74,830,293
Long-term provisions	2.5	274,334,341	3,168,278
		<u>11,633,383,296</u>	<u>4,822,863,608</u>
<b>Current liabilities</b>			
Short-term borrowings	2.6	7,765,857,481	-
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	2.35	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2.7	345,560,380	53,111,592
Other current liabilities	2.8	7,156,536,293	1,877,488,456
Short-term provisions	2.9	572,107,247	67,368,831
		<u>15,840,061,401</u>	<u>1,997,968,879</u>
<b>Total</b>		<u><b>35,857,770,379</b></u>	<u><b>12,217,798,290</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Property, Plant and Equipment	2.10	1,133,137	1,103,371
Non-current investments	2.11	4,337,039,072	2,792,423,903
Deferred tax assets (net)	2.12	231,059,465	-
Long-term loans and advances	2.13	5,616,043,761	771,846,301
Other non-current assets	2.14	206,767,206	96,005,916
		<u>10,392,042,641</u>	<u>3,661,379,491</u>
<b>Current assets</b>			
Current Investments	2.15	-	79,000,000
Stock-in-trade	2.16	22,231,435,327	6,582,283,194
Trade receivables	2.17	23,319,046	-
Cash and bank balances	2.18	363,746,087	70,186,351
Short-term loans and advances	2.19	1,388,883,456	1,128,333,748
Other current assets	2.20	1,458,343,822	696,615,506
		<u>25,465,727,738</u>	<u>8,556,418,799</u>
<b>Total</b>		<u><b>35,857,770,379</b></u>	<u><b>12,217,798,290</b></u>

The accompanying notes are an integral part of the financial statements

1 & 2

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

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm's Registration No: 012754N / NS00016

Russell I Parera

Partner

Membership No: 42190

Mumbai

2 May 2018

For and on behalf of the Board of Directors

Puja Dsouza

Director

DIN : 05136515

Hari Ram Misra

Director

DIN : 07599248

Sachin Gandhi

Chief Financial Officer

Niket Joshi

Company Secretary

Mumbai

2 May 2018

## Edelweiss Finvest Private Limited

### Statement of profit and loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Revenue from operations</b>			
Fee and commission income	2.21	87,463,526	
Income from treasury	2.22	51,616,818	(5,952,367)
Interest income	2.23	3,188,276,415	1,105,463,408
<b>Other income</b>	2.24		20,225
<b>Total revenue</b>		<b>3,327,358,759</b>	<b>1,099,531,266</b>
<b>Expenses</b>			
Employee benefit expenses	2.25	34,448,525	5,417,908
Finance costs	2.26	563,073,499	363,931,642
Depreciation and amortisation expense	2.10	109,237	61,788
Other expenses	2.27	1,034,883,228	49,814,368
<b>Total expenses</b>		<b>1,632,514,489</b>	<b>419,225,706</b>
<b>Profit before tax</b>		<b>1,694,844,270</b>	<b>680,305,560</b>
<b>Tax expenses:</b>			
Current tax [includes short / (excess) provision for earlier years of ₹ 103,055,681; previous year ₹ 352,722]		477,892,320	207,782,294
Deferred tax (net)		(115,249,256)	9,427,578
<b>Profit after tax</b>		<b>1,332,201,206</b>	<b>463,095,688</b>
<b>Earnings per equity share (₹) (Face value of ₹ 10 each)</b>	2.30		
Basic		118.33	165.04
Diluted		118.33	18.15

The accompanying notes are an integral part of the financial statements 1 & 2

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

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm's Registration No: 012754N / N500016

  
Russell I Parera

Partner

Membership No: 42190

Mumbai  
2 May 2018

For and on behalf of the Board of Directors

  
Puja D'souza

Director

DIN : 05136515

  
Hari Ram Mishra

Director

DIN : 07599248

  
Sheetal Gandhi

Chief Financial Officer

Mumbai  
2 May 2018

  
Niket Joshi

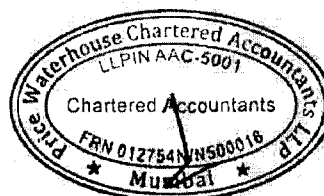
Company Secretary

# Edelweiss Finvest Private Limited

## Cash Flow Statement

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>A Cash flow from operating activities</b>		
Profit before taxation	1,694,844,270	680,305,560
<i>Adjustments for</i>		
Depreciation	109,237	61,788
Provision for compensated absences	124,423	(115,000)
Provision for non performing asset	483,550,000	-
Provision for standard asset	67,837,979	12,092,839
Loss on sale of fixed assets	3,393	-
Diminution in value of non-current investments	57,829,765	-
Dividend on current investments	(762,148,735)	(71,148,000)
Profit on sale of current investment	(2,922,266)	12,313,436
Profit on sale of non-current investment	(513,275,158)	-
Interest accrued on fixed deposits	(4,054,434)	(4,135,009)
Bad- debts and advances written off	290,800,000	-
<b>Operating cash flow before working capital changes</b>	<b>1,312,698,474</b>	<b>629,375,614</b>
<i>Add / (Less): Adjustments for working capital changes</i>		
(Increase) /decrease in receivables from financing business (net) (refer note 1)	(5,304,917,555)	1,513,805,876
Increase in stock in trade	(15,649,152,133)	(4,932,283,194)
Increase in loans and advances and other current assets	(941,611,540)	(606,406,761)
Increase in liabilities and provisions	3,460,036,272	15,315,177
<b>Cash used in operations</b>	<b>(17,122,946,482)</b>	<b>(3,380,193,288)</b>
Income taxes paid	(308,280,301)	(187,426,383)
<b>A Net cash used in operating activities</b>	<b>(17,431,226,783)</b>	<b>(3,567,619,671)</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets	(142,161)	-
Sale of non current investments	1,140,493,057	-
Purchase of non current investments	(2,229,662,832)	(2,792,423,903)
Purchase of current investments	-	(875,010,000)
Sale of current investment	81,922,266	853,696,571
Dividend on investments	762,148,735	71,148,000
Interest income received on fixed deposit	4,054,434	4,136,426
<b>B Net cash used in investing activities</b>	<b>(241,186,501)</b>	<b>(2,738,452,906)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from long term borrowings	15,860,400,000	6,307,997,860
Repayment of long term borrowings	(7,200,413,247)	-
Increase / (decrease) in short term borrowing	7,765,857,481	(14,545,965)
Adjustment on account of demerger (Refer note 2.56)	1,540,128,787	-
<b>C Net cash generated from financing activities</b>	<b>17,965,973,021</b>	<b>6,293,451,895</b>



# Edelweiss Finvest Private Limited

## Cash Flow Statement (Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<u>293,559,736</u>	<u>(12,620,682)</u>
Cash and cash equivalent as at the beginning of the year	20,186,351	32,807,033
Cash and cash equivalent as at the end of the year (Refer note 2.18)	313,746,087	20,186,351

### Notes:

- 1 Net figures have been reported on account of volume of transactions.
- 2 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013 read with paragraph 7 of the Companies (Accounts) Rules, 2014.

The accompanying notes are an integral part of these financial statements

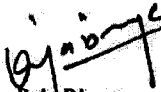
This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP  
Chartered Accountants  
Firm's Registration No: 012754N / N500016

  
Russell I Parera  
Partner  
Membership No: 42190

Mumbai  
2 May 2018

For and on behalf of the Board of Directors

  
Puja D'souza  
Director  
DIN : 05136515

  
Hari Ram Misra  
Director  
DIN : 07599248

  
Shweta Gandhi  
Chief Financial Officer

  
Niket Joshi  
Company Secretary

Mumbai  
2 May 2018

# Edelweiss Finvest Private Limited

## Notes to the financial statements

### 1. Significant accounting policies

#### 1.1 Background

Edelweiss Finvest Private Limited ('the Company') is registered with the Reserve Bank of India ('RBI') as a Systemically Important Non Deposit Accepting Non Banking Financial Company. The Company was incorporated on 23 August 2006, and is a subsidiary of Ecap Equities Limited which is a 100% subsidiary of Edelweiss Financial Services Limited (the ultimate holding company).

The Company is primarily engaged in the business of corporate credit and retail credit. Under the corporate credit vertical it offers structured collateralised credit to corporates and Real Estate Finance to developers and under the retail credit vertical it offers loan against securities.

#### 1.2 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 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified), the Companies Act, 1956 (to the extent applicable) and the Schedule III to the Act and circulars and guidelines issued by the Reserve Bank of India ('RBI'). The financial statements are presented in Indian rupees.

The Company being a Non Banking Financial Company ('NBFC') registered with RBI follows the guidelines issued by the RBI, in respect of income recognition, provisioning for non-performing assets and valuation of investments.

#### 1.3 Use of estimates

The preparation of the financial statements in conformity with the GAAP 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 amount of revenues 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.

#### 1.4 Current/non-current classification

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

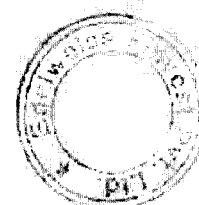
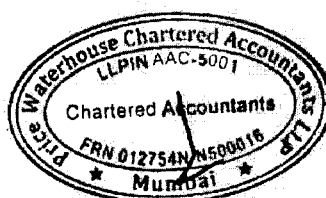
##### Assets

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

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

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

### 1. Significant accounting policies (Continued)

#### 1.4 Current/non-current classification (Continued)

##### Liabilities

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

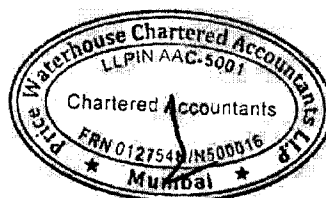
- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have an unconditional right to defer settlement of the liability for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

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

All other liabilities are classified as non-current

#### 1.5 Revenue recognition

- a. Interest income is recognised on accrual basis. Interest income in case of lending business is recognised on accrual basis except in case of non- performing assets, which is accounted on realisation, as per RBI guidelines.
- b. Portion of maturity premium on loans that is agreed with the borrower and receivable on maturity, is accounted upon its agreement at maturity.
- c. Dividend income is recognised when the right to receive payment is established.
- d. Profit/loss on sale of investments is recognised on trade date basis. Profit/loss on sale of investments is determined based on the weighted average cost of the investments sold.
- e. Realised profit/loss on closed positions of derivate instrument is recognised on final settlement on squaring of the contracts.
- f. Processing and other fee income is accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- g. Income from treasury operations comprises of profit/loss on sale of securities and profit/loss on equity, currency interest rate derivative instruments.
  - i) Profit/loss on sale of investments / securities is determined based on the weighted average cost of the investments / securities sold and recognised on trade date.
  - 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, a valuation technique is 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.



# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

### 1. Significant accounting policies (Continued)

#### 1.6 Cost of Benchmark linked debentures

The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

#### 1.7 Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

#### 1.8 Provisioning on receivables from financing business

Provision for non performing assets is made based on management's assessment of the degree of impairment subject to minimum provisioning levels prescribed in the prudential norms for asset classification and provisioning guidelines issued by the RBI for NBFCs.

Provisions against standard assets are made in accordance with the prudential norms laid down by RBI.

#### 1.9 Fixed asset and depreciation/ amortisation

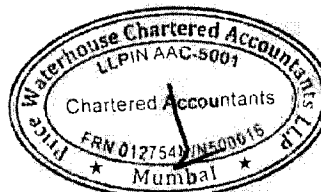
##### Property, Plant and Equipments

Property, Plant and Equipments 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.

Depreciation is provided on written down value basis from the date the asset is put to use or ready for its intended use whichever is earlier. In respect of asset 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 for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Class of asset	Estimated useful life
Building (Flat)	60 Years
Office Equipments	5 Years
Computers - End user devices, such as desktops, laptops, etc.	3 Years



# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

### 1. Significant accounting policies (Continued)

#### 1.10 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. 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.

#### 1.11 Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments.

Long term investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

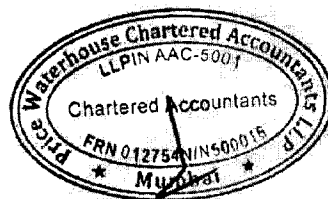
Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment. In case of investments in mutual funds, the net asset value of units declared by the mutual fund is considered as the fair value.

#### 1.12 Stock-in-trade

- a) The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and disclosed as current assets.
- b) The securities held as stock-in-trade are valued at lower of weighted average cost and market value. In case of units of mutual funds held as stock-in-trade, net asset value is considered as fair value.
- c) Debt instruments are valued at lower of cost and fair value. In case of debt instruments for which direct quotes are not available, fair value is the lowest of the quotes as on the valuation date as provided by market intermediaries.

#### 1.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other fixed deposits with bank with original maturities of three months or less.





# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

### 1. Significant accounting policies (Continued)

#### 1.14 Taxation

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

##### *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 as 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 recognised when 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.

#### 1.15 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:

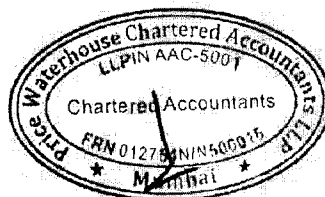
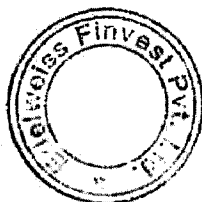
##### *Provident Fund*

The Company contributes to a recognised provident fund 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 benefits 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. This 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 carried out by an independent actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

### 1. Significant accounting policies (Continued)

#### 1.15 Employee benefits (Continued)

##### *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 & loss account and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

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 are recognised immediately in the Statement of profit and loss.

##### *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).

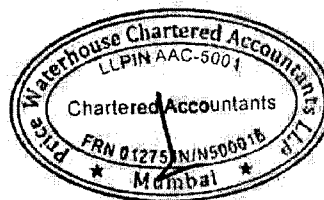
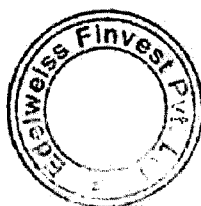
#### 1.16 Operating leases

Lease payment for asset taken on operating lease are recognised as an expense in the statement of profit and loss on a straight- line basis over the lease term.

#### 1.17 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share” notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. 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 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 the basic EPS and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.



# Edelweiss Finvest Private Limited

## Notes to the financial statements (Continued)

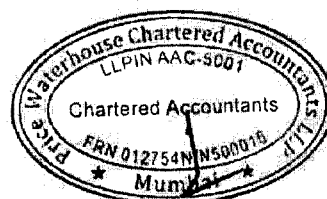
### 1. Significant accounting policies (Continued)

#### 1.18 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.



# **Edelweiss Finvest Private Limited**

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

(Currency : Indian rupees)

### **2.1 Share capital**

#### **a. Authorised :**

35,000,000 (Previous year: 11,500,000) Equity shares of ₹ 10 each  
Nil (Previous year: 23,500,000) Preference shares of ₹ 10 each

As at  
31 March 2018

As at  
31 March 2017

350,000,000

115,000,000

-

235,000,000

350,000,000

350,000,000

#### **b. Issued, Subscribed and Paid up:**

33,325,875 (Previous year: 2,805,998) equity shares of ₹ 10 each, fully paid-up

333,258,750

28,059,980

Nil (Previous year: 800,000) 0.01% Compulsorily convertible non-cumulative preference shares - Series A of ₹ 10 each, fully paid up

-

8,000,000

Nil (Previous year: 11,345,363) 0.01% Compulsorily convertible non-cumulative preference shares - Series B of ₹ 10 each, fully paid up

-

113,453,630

Nil (Previous year: 10,561,539) 0.01% Compulsorily convertible non-cumulative preference shares - Series C of ₹ 10 each, fully paid up

-

105,615,390

333,258,750

255,129,000

#### **a. Movement in share capital :**

	31 March 2018		31 March 2017	
	No of shares	Amount	No of shares	Amount
<b>i) Equity shares</b>				
Outstanding at the beginning of the year	2,805,998	28,059,980	2,805,998	28,059,980
Shares issued during the year	30,519,877	305,198,770	-	-
Outstanding at the end of the year	33,325,875	333,258,750	2,805,998	28,059,980
<b>ii) 0.01% Compulsorily convertible non- cumulative preference shares - Series A</b>				
Outstanding at the beginning of the year	800,000	8,000,000	800,000	8,000,000
Add: Shares issued during the year	-	-	-	-
Less: Shares converted into Equity shares	333,700	3,337,000	-	-
Less: Shares cancelled on account of demerger (Refer note 2.56)	466,300	4,663,000	-	-
Outstanding at the end of the year	-	-	800,000	8,000,000
<b>iii) 0.01% Compulsorily convertible non- cumulative preference shares - Series B</b>				
Outstanding at the beginning of the year	11,345,363	113,453,630	11,345,363	113,453,630
Add: Shares issued during the year	-	-	-	-
Less: Shares converted into Equity shares	11,345,363	113,453,630	-	-
Outstanding at the end of the year	-	-	11,345,363	113,453,630
<b>iv) 0.01% Compulsorily convertible non- cumulative preference shares - Series C</b>				
Outstanding at the beginning of the year	10,561,539	105,615,390	10,561,539	105,615,390
Add: Shares issued during the year	-	-	-	-
Less: Shares converted into Equity shares	10,561,539	105,615,390	-	-
Outstanding at the end of the year	-	-	10,561,539	105,615,390

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

The Company has only one class of shares referred to as equity shares having a par value of Rs 10. Each holder of equity shares is entitled to one vote per share.

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. Terms/rights attached to 0.01% Compulsorily convertible non- cumulative preference shares - Series A (CCPS -A)**

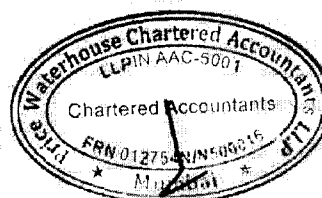
The tenure of CCPS-A was upto 31 December 2017. With the required consent of the CCPS-A holders, the term of issue of the CCPS-A had been changed and accordingly the holders of CCPS-A can convert any or all the CCPS-A held by them into 1 equity share of the Company of ₹10 each at par. All the CCPS-A outstanding as on 31 December 2017 have been converted into equity shares.

#### **d. Terms/rights attached to 0.01% Compulsorily convertible non- cumulative preference shares - Series B (CCPS - B)**

The tenure of CCPS-B was upto 31 December 2017. During the term of the CCPS-B, the holder can convert any or all the CCPS-B held by them into 1 equity share of the Company of ₹ 10 each at face value. All the CCPS-B outstanding as on 31 December 2017 have been converted into equity shares.

#### **e. Terms/rights attached to 0.01% Compulsorily convertible non- cumulative preference shares - Series C (CCPS - C)**

The tenure of CCPS-C was upto till 31 March 2018. During the term of the CCPS-C, the holder can convert any or all the CCPS-C held by them into 1 equity share of the Company of ₹ 10 each at face value. All the CCPS-C outstanding as on 31 March 2018 have been converted into equity shares.



# **Edelweiss Finvest Private Limited**

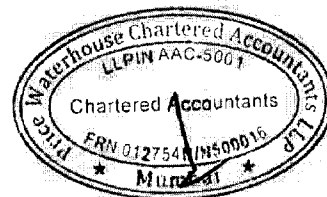
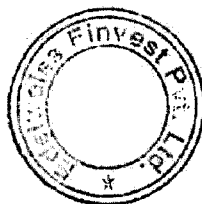
Notes to the financial statements (continued)

(Currency : Indian rupees)

		As at 31 March 2018		As at 31 March 2017	
f	Shares held by holding/ultimate holding company and/or their subsidiaries/associates	No of shares	% holding in the class	No of shares	% holding in the class
	Edelweiss Financial Services Limited - Ultimate holding company	8,279,275	24.84	-	-
	ECap Equities Limited - Holding company	22,459,720	67.40	1,700,812	60.61
	Edelweiss Securities Limited - Fellow subsidiary company	1,259,394	3.78	1,105,186	39.39
	Edelweiss Commodities Services Limited - Fellow subsidiary company	1,327,486	3.98	-	-
		<u>33,325,875</u>	<u>100.00</u>	<u>2,805,998</u>	<u>100.00</u>
g	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:	No of shares	% holding in the class	No of shares	% holding in the class
	Equity Shares of Rs 10 each fully paid				
	ECap Equities Limited	22,459,720	67.40	1,700,812	60.61
	Edelweiss Financial Services Limited	8,279,275	24.84	1,105,186	39.39
		<u>30,738,995</u>	<u>92.24</u>	<u>2,805,998</u>	<u>100.00</u>
h	Details of Preference shareholders holding more than 5% shares in the company:				
	i) 0.01% Compulsorily Convertible Non- cumulative Preference Shares - Series A				
	Edelweiss Finance & Investments Limited	-	-	466,300	58.29
	Edelweiss Commodities Services Limited	-	-	179,492	22.43
	Edelweiss Securities Limited	-	-	154,208	19.28
		<u>-</u>	<u>-</u>	<u>800,000</u>	<u>100.00</u>
	ii) 0.01% Compulsorily Convertible Non- cumulative Preference Shares - Series B				
	ECap Equities Limited	-	-	11,345,363	100.00
		<u>-</u>	<u>-</u>	<u>11,345,363</u>	<u>100.00</u>
	iii) 0.01% Compulsorily Convertible Non- cumulative Preference Shares - Series C				
	ECap Equities Limited	-	-	9,413,545	89.13
	Edelweiss Commodities Services Limited	-	-	1,147,994	10.87
		<u>-</u>	<u>-</u>	<u>10,561,539</u>	<u>100.00</u>

		As at 31 March 2018	As at 31 March 2017
2.2 Reserves and surplus			
Capital Redemption Reserve		84,340,320	84,340,320
Securities Premium Account		2,461,531,900	2,461,531,900
Add : Additions during the year on account of Equity share issue		1,393,815,946	-
Add : Additions during the year on account of Debenture issue		9,118,334	-
Less: Reduction on account cancellation of Preference Shares acquired due to demerger (Refer note 2.56)		<u>111,912,000</u>	<u>-</u>
		<u>3,752,554,180</u>	<u>2,461,531,900</u>
Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934, of India (*)		534,555,978	441,936,840
Add : Additions during the year		<u>266,440,241</u>	<u>92,619,138</u>
		<u>800,996,219</u>	<u>534,555,978</u>
Surplus in statement of profit and loss			
Opening Balance		2,061,408,605	1,690,932,055
Add: Profit on account of demerger (Refer note 2.56)		286,006,643	-
Add: Profit for the year		<u>1,332,201,206</u>	<u>463,095,688</u>
Amount available for appropriation		<u>3,679,616,454</u>	<u>2,154,027,743</u>
Appropriations:			
Transfer to Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934		<u>266,440,241</u>	<u>92,619,138</u>
		<u>3,413,176,213</u>	<u>2,061,408,605</u>
		<u>8,051,066,932</u>	<u>5,141,836,803</u>

(\*) Represents reserve created @ 20% of the profit after tax for the year as per the provisions of section 45-IC of the Reserve Bank of India Act, 1934

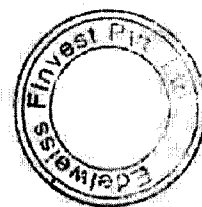
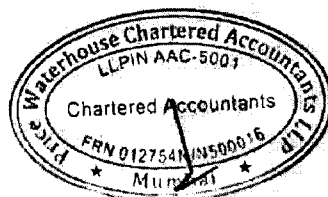


## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
<b>2.3 Long-term borrowings</b>		
<b><u>Secured</u></b>		
Non-convertible redeemable debentures (refer note 2.40 & 2.41) (Secured by charge on immovable property and floating charge on loans and advances, stock-in-trade and corporate guarantee from holding company)	7,634,955,867	4,232,497,860
Term loans from bank (refer note 2.42) (First Pari Passu charge on the current assets of the Company which includes receivables current and future, stock-in-trade and cash and cash equivalents with Letter of Comfort)	325,000,030	-
<b><u>Unsecured</u></b>		
Non-convertible redeemable debentures (refer note 2.41)	901,368,288	508,500,000
Subordinated Debentures (refer note 2.41)	150,000,000	-
	<b>9,011,324,185</b>	<b>4,740,997,860</b>
<b>2.4 Other long term liabilities</b>		
Interest accrued but not due on borrowings	2,347,724,770	74,830,293
	<b>2,347,724,770</b>	<b>74,830,293</b>
<b>2.5 Long-term provisions</b>		
Provision for employee benefits		
Gratuity (Refer note 2.31)	1,806,801	730,978
Compensated leave absences	210,423	107,000
Others		
Provision for standard assets	20,871,117	2,330,300
Provision for non performing assets	251,446,000	-
	<b>274,334,341</b>	<b>3,168,278</b>

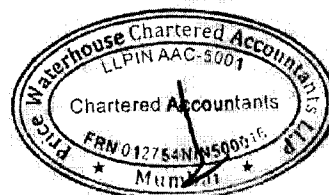
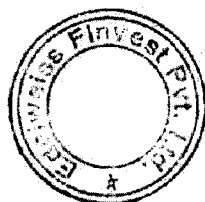


# Edelweiss Finvest Private Limited

## Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
<b>2.6 Short-term borrowings</b>		
<u>Unsecured</u>		
Loans and advances from related parties (Refer note 2.29) (Repayable on demand, carry interest at 9% p.a.)	7,761,957,481	-
Inter Corporate loan (Repayable on demand, carry interest at 5.5% p.a.)	3,900,000	-
	<b>7,765,857,481</b>	<b>-</b>
<b>2.7 Trade payables</b>		
Payable to:		
-related parties	299,874,464	22,236,798
-others	45,685,916	30,874,794
(Includes sundry creditors and provision for expenses)		
	<b>345,560,380</b>	<b>53,111,592</b>
<b>2.8 Other Current Liabilities</b>		
Current maturities of Long Term Debt		
Term loan	100,000,000	-
Non-convertible debentures (refer note 2.40 & 2.41)	6,134,235,598	1,567,000,000
Compulsorily convertible debentures (refer note 2.29)	-	268,873,000
Interest accrued but not due on borrowings	859,875,556	17,078,157
Income received in advance	16,673,039	5,212,215
Premium payable on exchange traded options (including MTM)	10,561,268	5,627,378
Other Payables		
Accrued salaries and benefits	16,542,227	1,739,440
TDS, Goods and Service tax and other taxes payable	18,167,708	4,568,560
Book overdraft	-	6,909,021
Others	480,897	480,685
(There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at year end)		
	<b>7,156,536,293</b>	<b>1,877,488,456</b>
<b>2.9 Short-term provisions</b>		
Provision for employee benefits		
Gratuity (Refer note 2.31)	300,000	120,000
Compensated leave absences	40,000	19,000
Others		
Provision for standard assets	86,686,515	24,637,408
Provision for non performing assets	232,104,000	-
Provision for taxation (net of advance tax ₹. 672,507,917; Previous year ₹. 577,278,213)	252,976,732	42,592,423
	<b>572,107,247</b>	<b>67,368,831</b>



## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

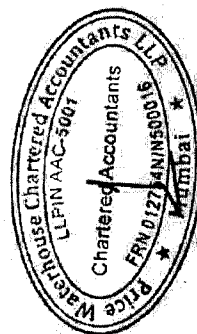
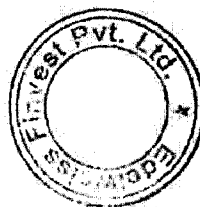
(Currency : Indian rupees)

#### 2.10 Fixed assets

Description of assets	As at 1 April 2017	Gross Block		As at 31 March 2018	As at 1 April 2017	Depreciation		As at 31 March 2018	Net Block As at 31 March 2018
		Additions during the year	Deductions during the year			Charge for the year	Deductions during the year		
Property, Plant and Equipment									
Building (Flat)*	1,359,412	-	-	1,359,412	260,201	54,960	-	315,161	1,044,251
Computer	41,765	142,161	-	183,926	41,765	53,275	-	95,040	88,886
Office equipment	25,450	-	25,450	-	21,290	1,002	22,292	-	-
Total	1,426,627	142,161	25,450	1,543,338	323,256	109,237	22,292	410,201	1,133,137

\* Mortgaged for Non convertible debentures

There are no adjustments on account of borrowing costs.





## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

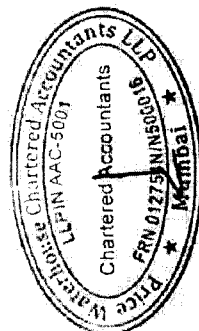
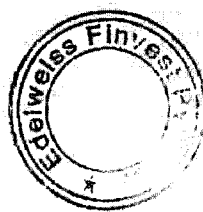
(Currency: Indian rupees)

#### 2.10 Fixed assets (Previous year)

Description of assets	Gross Block				Depreciation and amortisation		Net Block As at 31 March 2017		
	As at 1 April 2016	Additions during the year	Deductions during the year	As at 31 March 2017	As at 1 April 2016	Charge for the year during the year		As at 31 March 2017	
Property, Plant and Equipment									
Building (Flat)*	1,359,412	-	-	1,359,412	202,348	57,853	-	260,201	1,099,211
Computer	41,765	-	-	41,765	41,494	271	-	41,765	-
Office equipment	25,450	-	-	25,450	17,626	3,664	-	21,290	4,160
Total	1,426,627	-	-	1,426,627	261,468	61,788	-	323,256	1,103,371

\* Mortgaged for Non convertible debentures

There are no adjustments on account of borrowing costs.



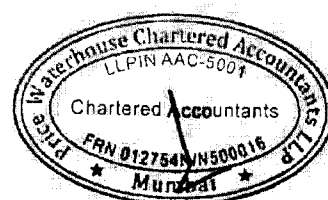
# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.11 Non-current investments

	As at 31 March 2018 (Audited)			As at 31 March 2017 (Audited)		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
<b>I. Others (quoted)</b>						
(A) In equity instruments - Others (fully paid up)						
Gail (India) Limited	-	-	-	10	407,333	164,035,629
						164,035,629
<b>II. Others (unquoted)</b>						
(A) In equity instruments of fellow subsidiary companies (fully paid up)						
Edelweiss Retail Finance Limited	10	3,000,000	264,000,000	10	3,000,000	264,000,000
Edelweiss Asset Reconstruction Company Limited	10	15,254,350	326,142,279	10	15,254,350	326,142,279
			590,142,279			590,142,279
(B) In equity instruments of other companies (fully paid up)						
Tamilnad Mercantile Bank Limited	10	36,072	1,741,248	-	-	-
			1,741,248			-
(C) In units of fund of associate company						
Edelweiss Private Equity Tech fund	100,000	568.94	56,894,400	100,000	291.60	29,160,000
Edelweiss Value and Growth Fund	100,000	1,592.65	159,265,186	-	-	-
			216,159,586			29,160,000
(D) In securitisation trust securities						
EARC Trust SC 6 - Series I	1,000	218,500	117,544,235	1,000	218,500	117,544,235
EARC Trust SC 43 - Series I	1,000	54,000	54,000,000	1,000	54,000	54,000,000
EARC Trust SC 55 - Series I	1,000	46,800	46,800,000	1,000	46,800	46,800,000
EARC Trust SC 57 Series II	-	-	-	1,000	72,250	59,600,000
EARC Trust SC 109 - Series I	1,000	524,900	487,282,250	1,000	633,500	520,152,060
EARC Trust SC 112 - Series I	1,000	296,000	290,851,550	1,000	340,000	297,275,000
EARC Trust SC 177 - Series I	1,000	124,750	111,640,100	1,000	124,750	119,064,700
EARC Trust SC 229 - Series I	1,000	255,000	255,000,000	1,000	255,000	255,000,000
EARC Trust SC 245 - Series I	1,000	540,940	313,279,756	1,000	534,650	534,650,000
EARC Trust SC 262 - Series I	1,000	374,000	179,121,675	-	-	-
EARC Trust SC 297 - Series I	1,000	895,914	891,770,000	-	-	-
EARC Trust SC 327 - Series I	1,000	642,855	642,855,000	-	-	-
Edelweiss ARF-I Trust Scheme-1	1,000	56,728	46,990,360	-	-	-
Edelweiss ARF-I Trust Scheme-2	1,000	31,324	9,128,699	-	-	-
Edelweiss ARF-I Trust Scheme-3	1,000	43,899	43,896	-	-	-
Edelweiss ARF-I Trust Scheme-4	1,000	32,679	32,679	-	-	-
Edelweiss ARF-I Trust Scheme-5	1,000	35,370	35,370	-	-	-
EARC SAF -3 Trust - Series I	1,000	19,500	15,888,982	-	-	-
			3,462,264,552			2,004,085,995
Less : Provision for diminution in value of investments			57,829,765			-
			3,404,434,787			2,004,085,995
(E) In Units of Venture Fund						
KAE Capital Fund (India)	100,000	50.00	26,666,666	-	-	-
KAE Capital Fund II (India)	100,000	433.33	43,333,334	-	-	-
			70,000,000			-
(F) In other Instruments -Warrants						
Kompass Capital Advisors Private Limited	-	-	-	100	50,000	5,000,000
Bharti Shipyard Limited (Rs 5.5 paid up)	10	2,647,313	14,560,222	-	-	-
AT InvoFin India Private Limited (Rs 2.50 paid up)	10	320,000	20,000,000	-	-	-
			34,560,222			5,000,000
Less : Prov. for diminution in value of investments			20,000,000			-
			14,560,222			5,000,000
(G) In preference shares of companies (fully paid up)						
Zero coupon Series D non-cumulative compulsorily convertible preference shares of Bright Lifecare Private Limited	7,664	5,219	40,000,950	-	-	-
			40,000,950			-
			4,337,039,072			2,792,423,903
Aggregate amount of unquoted investment						
- At carrying value			4,337,039,072			2,628,388,274
Aggregate amount of quoted investment						
- At carrying value			-			164,035,629
- At market value			-			133,544,174
Aggregate amount of provision for diminution			77,829,765			-



# Edelweiss Finvest Private Limited

## Notes to the financial statements (continued)

(Currency : Indian rupees)

### 2.12 Deferred taxes (net)

#### Deferred tax assets

Disallowances under section 43B of the Income Tax Act, 1961  
Provision for standard assets and non-performing assets  
On long term capital loss  
Provision for doubtful debts  
Unrealised loss on derivative transactions

As at  
31 March 2018

As at  
31 March 2017

815,835	338,132
191,691,604	9,333,524
17,388,936	-
20,014,882	-
1,901,422	4,935,997
<u>231,812,679</u>	<u>14,607,653</u>

#### Deferred tax liabilities

Unrealised gain on derivative transactions  
Difference between book and tax depreciation  
Others

679,436	9,891,871
73,778	83,332
-	8,499,627
<u>753,214</u>	<u>18,474,830</u>

#### Deferred tax asset (net)

<u>231,059,465</u>	<u>(3,867,177)</u>
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### 2.13 Long-term loans and advances

#### Secured

Receivable from financing business  
- considered good  
- considered non performing asset

4,953,579,495	482,596,000
251,446,000	-
<u>5,205,025,495</u>	<u>482,596,000</u>

#### Unsecured

Receivable from financing business  
- considered good

264,199,675	183,204,000
<u>264,199,675</u>	<u>183,204,000</u>

#### Other loans and advances

Advance income taxes (net of provision for taxation ₹ 357,113,240;  
(Previous year ₹ 251,915,839)

146,818,591	106,046,301
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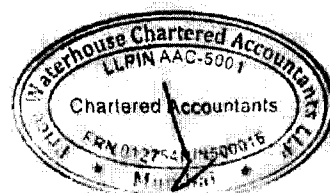
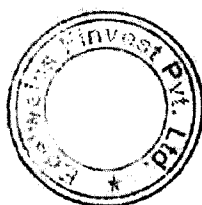
<u>5,616,043,761</u>	<u>771,846,301</u>
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### 2.14 Other non-current assets

Interest accrued but not due on loans given

206,767,206	96,005,916
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<u>206,767,206</u>	<u>96,005,916</u>
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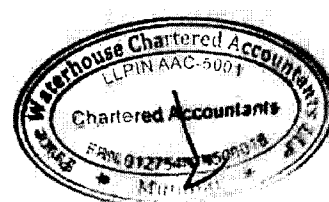


# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2018			As at 31 March 2017		
	Face value	Quantity	Amount	Face value	Quantity	Amount
<b>2.15 Current investments - at lower of cost and fair value</b>						
<i>Investments in mutual funds - unquoted</i>						
Reliance Money Manager Fund - Direct - Growth	-	-	-	1,000	34,927	79,000,000
			<u>-</u>			<u>79,000,000</u>
<b>Aggregate value of current investments - unquoted</b>						
At carrying value			-			79,000,000
At market value			-			79,000,000
<b>2.16 Stock-in-trade</b>						
<b>(I) Equity shares (quoted)</b>	Face value	Quantity	Amount	Face value	Quantity	Amount
Hindustan Petroleum Corporation Limited	-	-	-	-	-	-
ICICI Securities Limited	10	192,304	99,998,080	10	1,260,000	662,319,000
<b>(II) Debentures and bonds (quoted)</b>						
<b>In follow subsidiary</b>						
10.60% ECL Finance Limited 11.03.2020 (Yearly)	1,000	315	307,761	-	-	-
11.85% ECL Finance Limited 28.01.2019 (Monthly Cumulative)	1,000	53,305	55,431,870	-	-	-
10.60% ECL Finance Limited 11.03.2020 (Yearly Cumulative)	1,000	7,471	7,553,181	-	-	-
<b>Others</b>						
<b>Credit Substitutes (quoted)</b>						
15.00% Pantaloon Industries Limited 31.03.2017	-	-	-	10,000,000	35	350,000,000
5.00% New Media Broadcasting Private Limited 18.02.2021	1,000,000	800	800,000,000	1,000,000	600	600,000,000
10.00% Abellon Energy Limited 02.06.2020	1,000,000	214	214,000,000	1,000,000	214	214,000,000
15.00% Future Corporate Resources Limited 31.03.2017	-	-	-	10,000,000	63	650,000,000
14.00% Parinee Realty Private Limited 15.01.2021	500,000	1,500	750,000,000	500,000	1,300	650,000,000
14.00% Empee Distilleries Limited 26.04.2021 Tranche 1	950,000	73	69,350,000	1,000,000	92	92,000,000
14.00% Empee Distilleries Limited 26.04.2021 Tranche 2	950,000	19	18,050,000	-	-	-
14.00% Shree Sukhakarta Developers Private Limited 30.06.2020	1,000,000	550	550,000,000	1,000,000	550	550,000,000
15.00% Ecstasy Realty Private Limited 28.03.2023	10,000,000	110	1,100,000,000	-	-	-
16.50% Kohinoor CTNL Infrastructure Co. Pvt. Ltd. 30.09.2020	1,000,000	552	552,000,000	-	-	-
14.00% Aliens Developers Private Limited 31.03.2022	1,000,000	138	138,000,000	-	-	-
<b>(III) Debentures and bonds (unquoted)</b>						
<b>Credit Substitutes</b>						
18.50% Manyata Developers Private Limited 30.06.2020	629,585	750	472,189,028	1,000,000	300	300,000,000
13.00% Parsvnath Developers Limited 15.04.2019	-	-	-	500,000	1,250	625,000,000
16.85% Rohan Developers Private Limited 31.03.2020	1,000,000	700	700,000,000	1,000,000	700	700,000,000
13.00% Aniline Construction Company Private Limited 30.09.2022	100,000	7,000	700,000,000	100,000	7,000	700,000,000
12.00% Dome Bell Electronics India Private Limited 29.03.2019	-	-	-	1,000,000	493	488,964,194
12.00% Gonibedu Coffee Estates Private Limited 29.05.2019	9,473,684	75	710,526,316	-	-	-
5.00% Dr. Agarwal's Health Care Limited 22.12.2022	62,500	4,638	289,875,000	-	-	-
15.00% Alok Knit Exports Private Limited 11.05.2020	7,236,200	80	578,896,000	-	-	-
17.00% AHA Holdings Private Limited 30.08.2022	1,000,000	500	500,000,000	-	-	-
12.25% Sprit Infrapower & Multiventures Pvt. Ltd. 21.09.2018	10,000,000	42	420,000,000	-	-	-
Reset Rate UM Autocomp Private Limited 29.02.2024	811,899	800	649,519,200	-	-	-
Reset Rate OPJ Trading Private Limited 03.09.2020	1,000,000	800	800,000,000	-	-	-
12.00% Azeem Infinite Dwelling India Pvt. Ltd. 21.08.2022 -Series 2	1,000,000	800	800,000,000	-	-	-
14.50% Renaissance Indus Infra Private Limited 21.09.2023	1,000,000	95	95,000,000	-	-	-
16.50% Easy Home Solutions Private Limited 11.01.2022	500,000	1,600	800,000,000	-	-	-
15.60% Gayatri Hotels and Theatres Private Limited 12.10.2021	1,000,000	800	800,000,000	-	-	-
17.00% Modella Textiles Industries Limited 30.11.2022	1,000,000	1,000	1,000,000,000	-	-	-
9.50% Aspen Infrastructures Limited 10.03.2019	10,000,000	85	850,000,000	-	-	-
10.00% Nirmal Lifestyle (Mulund) Private Limited 30.03.2023	1,000,000	805	805,000,000	-	-	-
14.50% Shree Naman Developers Private Limited 23.03.2021	500,000	2,100	1,050,000,000	-	-	-
12.00% Mohan Breweries and Distilleries Limited 30.10.2021	10,000,000	100	1,000,000,000	-	-	-
13.65% Future Capital Investment Private Limited 19.03.2021	1,000,000	720	720,000,000	-	-	-
13.65% Suhani Trading and Investment Consultants Pvt. Ltd.	1,000,000	1,100	1,100,000,000	-	-	-
17.92% Gmr Enterprises Private Limited 20.03.2022	1,000,000	750	750,000,000	-	-	-
14.00% Sai Ashray Developers Private Limited 28.03.2024	1,000,000	787	787,000,000	-	-	-
<b>(IV) Mutual funds (unquoted)</b>						
JM Equity Fund - Monthly Dividend Option -Payout	20.95	83,517,071	998,738,891	-	-	-
BOI Axa Treasury Advantage Fund - Direct Plan - Growth	2,125	235,293	500,000,000	-	-	-
			<u>22,231,435,327</u>			<u>6,582,283,194</u>
<b>Aggregate value of stock-in-trade in - quoted</b>						
At Carrying value			4,354,690,891			662,319,000
At Market value			4,354,690,891			677,115,150
<b>Aggregate of value stock-in-trade in - unquoted</b>						
At Carrying value			17,876,744,436			5,919,964,194
At Market value			17,876,744,436			5,919,964,194



## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

(Currency : Indian rupees)

#### 2.17 Trade receivables

Debtors outstanding for a period exceeding six months

- Unsecured, considered doubtful

Provision for doubtful debts

As at  
31 March 2018

As at  
31 March 2017

57,425,235

57,425,235

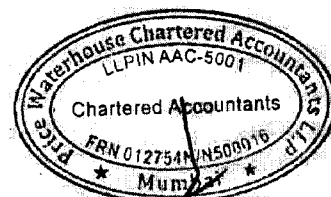
#### Other debts

- Unsecured, considered good

23,319,046

23,319,046

23,319,046

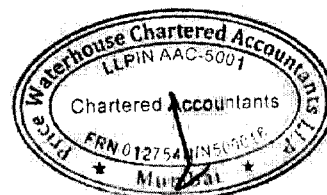
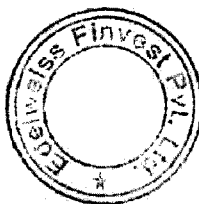


# Edelweiss Finvest Private Limited

## Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
<b>2.18 Cash and bank balances</b>		
<b>Cash and Cash equivalents</b>		
Cash in hand	14,232	5,280
Balances with Banks		
- in current accounts	313,731,855	20,181,071
	<u>313,746,087</u>	<u>20,186,351</u>
<b>Other bank balances</b>		
- Short term deposits with banks (refer note 2.32)	50,000,000	50,000,000
(Other bank deposits with maturity less than 12 months)		
	<u>363,746,087</u>	<u>70,186,351</u>
<b>2.19 Short-term loans and advances</b>		
<u><b>Secured</b></u>		
Receivable from financing business		
- considered good	789,503,928	701,300,000
- considered non performing asset	232,104,000	-
	<u>1,021,607,928</u>	<u>701,300,000</u>
<u><b>Unsecured - Considered good</b></u>		
Loans and advances to related parties (Refer note 2.29)	-	415,269,500
Receivable from financing business	308,379,688	2,725,731
Other loans and advances		
Prepaid expenses	496,623	28,819
Loans and advances to employees	8,000	-
Vendor Advances	2,699,847	1,040,271
Input tax credit	55,691,370	7,969,427
	<u>1,388,883,456</u>	<u>1,128,333,748</u>
<b>2.20 Other Current Assets</b>		
Accrued interest on fixed deposits	8,816	8,816
Accrued interest on loans given	6,336,911	14,884,944
Accrued interest on debt instruments	149,158,064	-
Interest accrued but not due on loans given	303,864,940	48,632,591
Interest accrued but not due on debt instruments	818,593,930	334,448,160
Mark to market on benchmark linked debentures	75,229,081	-
Premium paid on outstanding exchange traded options	29,922	-
Margin placed with broker	105,122,158	282,179,830
Other receivables	-	16,461,165
	<u>1,458,343,822</u>	<u>696,615,506</u>

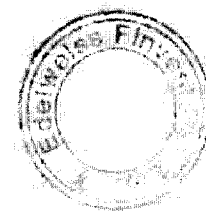
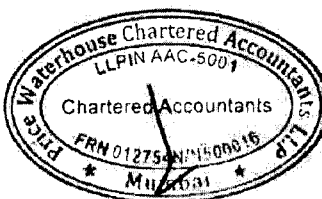


## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>2.21 Fee and commission income</b>		
Loan processing and other fees	87,465,526	-
	<u>87,465,526</u>	<u>-</u>
<b>2.22 Income from treasury operations and investments</b>		
Profit / (loss) on trading of securities (net) (Refer note 2.43)	(486,427,963)	(13,514,130)
Profit on trading in Equity Derivative Instruments (net)	(49,649,824)	18,352,216
Cost of benchmark linked debenture	(690,651,554)	(69,625,017)
Profit / (loss) on sale of current investments (net)	2,922,266	(12,313,436)
Profit on sale of non current investments	513,275,158	-
Dividend on current investments	762,148,735	71,148,000
	<u>51,616,818</u>	<u>(5,952,367)</u>
<b>2.23 Interest income</b>		
On loans and credit substitutes	3,174,554,879	1,100,913,915
On fixed deposits	4,054,434	4,135,009
On margin with brokers	3,456,607	413,313
On investment in security receipts	5,956,800	-
On others	253,695	1,171
	<u>3,188,276,415</u>	<u>1,105,463,408</u>
<b>2.24 Other income</b>		
Miscellaneous income	-	20,225
	<u>-</u>	<u>20,225</u>



# Edelweiss Finvest Private Limited

## Notes to the financial statements (continued)

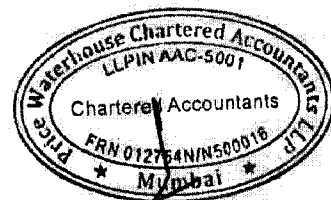
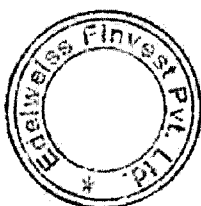
(Currency : Indian rupees)

### 2.25 Employee benefit expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	33,251,619	5,144,414
Contribution to provident and other funds (Refer note 2.31)	869,248	193,474
Staff welfare expenses	327,658	80,020
	<u>34,448,525</u>	<u>5,417,908</u>

### 2.26 Finance costs

Interest on debentures	229,585,410	45,709,166
Interest on Inter-corporate loan	214,500	-
Interest on subordinated debentures	16,635,616	-
Interest on term loan	31,226,179	-
Interest on loan from ultimate holding company (Refer note 2.29)	-	318,722
Interest on loan from fellow subsidiaries (Refer note 2.29)	161,103,567	266,167,021
Interest on late payment of taxes	9,244,693	5,028,021
Other borrowing cost	115,063,534	46,708,712
	<u>563,073,499</u>	<u>363,931,642</u>





## Edelweiss Finvest Private Limited

### Notes to the financial statements (continued)

(Currency : Indian rupees)

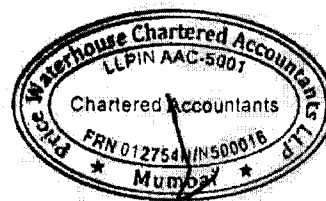
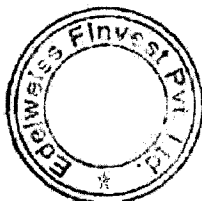
	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>2.27 Other expenses</b>		
Advertisement and business promotion	266,316	4,807
Auditors' remuneration (refer note below)	1,786,289	1,067,110
Bad- debts and advances written off	290,800,000	-
Commission and brokerage	9,955,451	-
Communication	727,317	111,687
Computer software	490,094	-
Clearing & custodian charges	155,512	64,019
Diminution in value of non-current investments	57,829,765	-
Directors' sitting fees	260,000	150,000
Electricity charges (Refer note 2.58)	644,690	61,697
Housekeeping charges	38,172	-
Insurance	24,044	674
Legal and professional fees	119,595,540	25,052,074
Loss on sale/ write-off of fixed assets (net)	3,393	-
Membership and Subscription	96,150	13,326
Office expenses	64,378	-
Printing and stationery	97,870	18,419
Provision for standard assets	67,837,979	12,092,839
Provision for non performing asset	483,550,000	-
Provision for doubtful debts	22,180	-
Rates and taxes	5,967,935	4,156,268
Rating Support Fees (Refer note 2.29)	213,737	2,900,000
Rent (Refer note 2.29)	1,365,092	320,749
Repairs and maintenance - others	468,497	5,000
ROC Expenses	53,375	-
Seminar & Conference	15,637	-
Service tax expenses	(24,540,809)	2,065,618
Stamp duty	15,742,369	1,602,141
Stock exchange expenses	2,478	-
Travelling and conveyance	480,632	89,790
Miscellaneous expenses	869,145	38,150

<b>1,034,883,228</b>	<b>49,814,368</b>
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#### Auditors' Remuneration:

As Auditor	1,260,178	996,180
Towards Reimbursement of Expenses	526,111	70,930

<b>1,786,289</b>	<b>1,067,110</b>
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# Edelweiss Finvest Private Limited

## Notes to the financial statements (continued)

(Currency: Indian rupees)

### 2.28 Segment reporting

#### Primary Segment (Business segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Income from treasury operations, income from investments and dividend income
Financing business	Wholesale and Retail financing

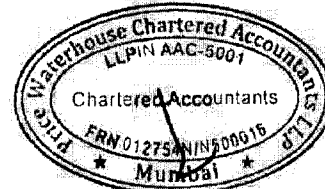
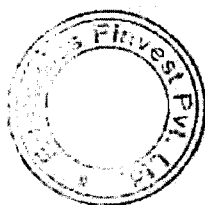
Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

#### Secondary Segment

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Accounting Standard-17 on Segment Reporting

Particulars	As at/ For the year ended 31 March 2018	As at/ For the year ended 31 March 2017
<b>I Segment Revenue</b>		
a) Capital based business	801,929,429	63,672,650
b) Financing business	2,525,429,330	1,035,858,616
c) Unallocated	-	-
<b>Total Income</b>	<b>3,327,358,759</b>	<b>1,099,531,266</b>
<b>II Segment Results</b>		
a) Capital based business	605,290,056	62,537,572
b) Financing business	1,098,798,907	622,796,009
c) Unallocated	(9,244,693)	(5,028,021)
<b>Profit before taxation</b>	<b>1,694,844,270</b>	<b>680,305,560</b>
Less : Provision for taxation	362,643,064	217,209,872
<b>Profit after taxation</b>	<b>1,332,201,206</b>	<b>463,095,688</b>
<b>III Segment Assets</b>		
a) Capital based business	5,999,290,153	3,533,742,903
b) Financing business	29,480,602,168	8,578,009,087
c) Unallocated	377,878,057	106,046,300
<b>Total</b>	<b>35,857,770,378</b>	<b>12,217,798,290</b>
<b>IV Segment Liabilities</b>		
a) Capital based business	4,925,446,416	715,318
b) Financing business	22,295,021,549	6,773,657,569
c) Unallocated	252,976,733	46,459,600
<b>Total</b>	<b>27,473,444,698</b>	<b>6,820,832,487</b>
<b>V Capital expenditure</b>		
a) Capital based business	7,108	-
b) Financing business	127,945	-
c) Unallocated	7,108	-
<b>Total</b>	<b>142,161</b>	<b>-</b>
<b>VI Depreciation and amortisation</b>		
a) Capital based business	20,484	-
b) Financing business	88,753	61,788
c) Unallocated	-	-
<b>Total</b>	<b>109,237</b>	<b>61,788</b>
<b>VII Significant non-cash expenses other than depreciation and amortisation</b>		
a) Capital based business	58,085,737	18,961
b) Financing business	843,297,067	12,044,852
c) Unallocated	-	-
<b>Total</b>	<b>901,382,804</b>	<b>12,063,813</b>



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

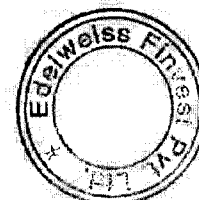
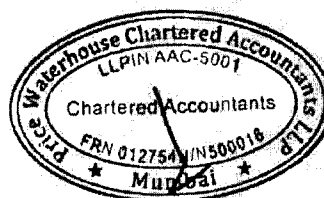
## 2.29 Disclosure as required by Accounting Standard 18 – "Related Party Disclosure"

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

Names of related parties by whom control is exercised	Edelweiss Financial Services Limited (Ultimate Holding company)
Holding Company	ECap Equities Limited
Enterprises which exercise significant influence over the Company	Edelweiss Securities Limited
Fellow subsidiaries with whom the transactions have taken place	Edelweiss Asset Reconstruction Company Limited Edelweiss Alternative Asset Advisors Limited Edelweiss Global Wealth Management Limited Edelweiss Finance & Investments Limited Edelweiss Commodities Services Limited Burlington Business Solutions Limited Edelweiss Custodial Services Limited Edelweiss Business Services Limited Edelweiss Retail Finance Limited Eternity Business Centre Limited Edelweiss Business Services Limited Auris Corporate Centre Limited Edelweiss Securities Limited Edelweiss Broking Limited Edel Commodities Limited EFSL Trading Limited ECL Finance Limited EW Clover Scheme I
Associates	Edelweiss Private Equity Tech fund Edelweiss Value and Growth Fund
Key Management Personnel (KMP) (with whom transactions have taken place)	Bhavin N Mehta

### ii Transactions with related parties:

Sr. No.	Nature of Transaction	Related Party Name	2017-18	2016-17
<b>(I) Capital account transactions</b>				
1	Investments in equity shares of	Edelweiss Retail Finance Limited	-	264,000,000
		Edelweiss Asset Reconstruction Company Limited	-	326,142,279
2	Investments in units of	Edelweiss Private Equity Tech fund	27,734,400	29,160,000
		Edelweiss Value and Growth Fund	159,265,186	-
3	Purchase of investment from	Edelweiss Finance & Investments Limited	-	181,605,000
4	Sale of investment to	ECap Equities Limited	-	181,605,000
5	Conversion of Compulsorily convertible non-cumulative preference shares by	Edelweiss Commodities Services Limited	13,274,860	-
		Edelweiss Securities Limited	1,542,080	-
		ECap Equities Limited	207,589,080	-
6	Compulsorily Convertible Debentures redeemed to	ECap Equities Limited	268,873,000	-



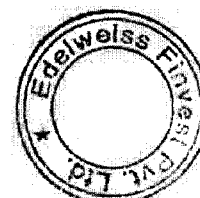
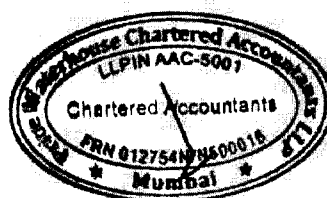
# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.29 Disclosure as required by Accounting Standard 18 – "Related Party Disclosure" (Continued)

(II) Current account transactions				
1	Short term loans taken from (Refer note 1)	Edelweiss Commodities Services Limited	25,454,759,000	24,865,494,777
2	Short term loans repaid to (Refer note 1)	Edelweiss Financial Services Limited	-	13,400,000
		Edelweiss Commodities Services Limited	17,692,801,519	24,866,640,735
3	Short term loans given to (Refer note 1)	ECL Finance Limited	-	60,342,429
		Edelweiss Commodities Services Limited	3,743,027,000	2,840,400,000
		Edelcap Securities Limited	924,180,000	529,788,000
		Edelweiss Finance & Investments Limited	648,843,546	-
		EW Clover Scheme I	-	490,000,000
		Edel Commodities Limited	-	1,024,400,000
4	Short term loans given repaid by (Refer note 1)	Edelweiss Commodities Services Limited	4,147,309,000	2,436,118,500
		Edelcap Securities Limited	930,768,000	740,000,000
		ECL Finance Limited	-	208,042,429
		Edelweiss Finance & Investments Limited	648,843,546	-
		EW Clover Scheme I	-	490,000,000
		Edel Commodities Limited	4,400,000	1,020,000,000
5	Interest expense on loans taken from	Edelweiss Financial Services Limited	-	318,722
		Edelweiss Commodities Services Limited	161,103,567	266,167,021
6	Interest expense on debentures	Ecap Equities Limited	38,684,840	45,708,409
7	Interest income on short term loan from	Edelcap Securities Limited	91,183,071	48,364,959
		Edelweiss Commodities Services Limited	171,201,704	38,570,620
		ECL Finance Limited	-	6,992,013
		Edelweiss Finance & Investments Limited	34,161,914	-
		EW Clover Scheme I	177,534	-
		Edel Commodities Limited	377,074	8,460,030
8	Interest income on margin from	Edelweiss Securities Limited	16,109	52,533
		Edelweiss Custodial Services Limited	3,120,973	360,780
9	Legal and professional fees paid to	Edelweiss Business Services Limited	19,157,044	-
		ECL Finance Limited	45,290,626	-
		Edelweiss Alternative Asset Advisors Limited	38,703,000	-
		Edelweiss Asset Reconstruction Company Limited	8,171,885	-
10	Margin placed with broker	Edelweiss Custodial Services Limited	11,066,003	335,251,545
		Edelweiss Securities Limited	352,978,569	52,309,489
11	Margin withdrawn from broker	Edelweiss Custodial Services Limited	277,607,798	53,324,681
		Edelcap Securities Limited	367,852,450	52,056,525
12	Reimbursements paid to	Edelweiss Financial Services Limited	110,516	8,907,111
		Edelweiss Business Services Limited	-	4,803,710
		Edelweiss Commodities Services Limited	448,179	920,814
		ECL Finance Limited	61,432	22,110,366
		Edelweiss Broking Limited	-	112,115
		Edelweiss Securities Limited	1,852	-
		EFSL Trading Limited	12,292	-
		Eternity Business Centre Limited	9,654	-
		Ecap Equities Limited	10,961	-
13	Rent paid to	Edelweiss Commodities Services Limited	961,783	238,087
		Edelweiss Broking Limited	101,986	82,662
		Ecap Equities Limited	149,210	-
		ECL Finance Limited	109,984	-
		Burlington Business Solutions Limited	28,828	-
		Eternity Business Centre Limited	11,689	-
		Auris Corporate Centre Limited	1,612	-
14	Rating Support fees paid to	Edelweiss Financial Services Limited	213,737	2,900,000



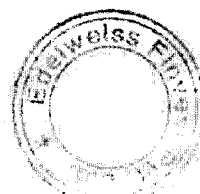
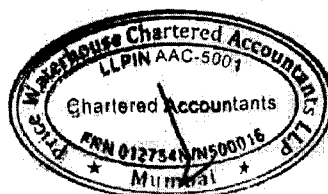
# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.29 Disclosure as required by Accounting Standard 18 – "Related Party Disclosure" (Continued)

(II) Current account transactions (continued)				
15	Corporate Guarantee support fee paid to	Edelweiss Financial Services Limited	79,784,000	-
16	Commission and Sub-brokerage paid to	Edelweiss Securities Limited	1,121,785	251,513
		Edelweiss Global Wealth Management Limited	9,909,872	-
17	Clearing charges paid to	Edelweiss Securities Limited	-	10,000
		Edelweiss Custodial Services Limited	110,000	20,000
18	Remuneration to Key Management Personnel (Refer note 2)	Bhavin N Mehta	1,762,768	1,181,688
19	Purchase of securities receipts from	ECL Finance Limited	-	2,004,085,995
(II) Secondary market transactions				
1	Sale of securities (Stock in trade) to	ECL Finance Limited	641,308,987	414,408,219
		Edelweiss Finance & Investments Limited	668,806,904	-
		Edelweiss Commodities Services Limited	83,819,602	-
2	Purchase of securities (Stock in trade) from	ECL Finance Limited	245,166,438	689,280,822
		Ecap Equities Limited	1,012,268,493	-
		Edelweiss Finance & Investments Limited	480,147,500	-
		Edelweiss Commodities Services Limited	2,501,530,672	1,276,758,698
(III) Balances with related parties				
1	Investments in equity shares	Edelweiss Retail Finance Limited	264,000,000	264,000,000
		Edelweiss Asset Reconstruction Company Limited	326,142,279	326,142,279
2	Investments in units of	Edelweiss Private Equity Tech fund	56,894,400	29,160,000
		Edelweiss Value and Growth Fund	159,265,186	-
3	Compulsorily Convertible Debentures	Ecap Equities Limited	-	268,873,000
4	Debenture and bonds (Stock in trade) of	ECL Finance Limited	63,292,811	-
5	Non-convertible redeemable debentures	Ecap Equities Limited	3,302,637,945	-
		Edelweiss Commodities Services Limited	55,000,000	-
6	Short term loans taken from	Edelweiss Commodities Services Limited	7,761,957,481	-
7	Short term loans given to	Edelcap Securities Limited	-	6,588,000
		Edelweiss Commodities Services Limited	-	404,281,500
		Edel Commodities Limited	-	4,400,000
8	Trade Payables to	Edelweiss Financial Services Limited	90,895,755	-
		Edelweiss Business Services Limited	8,587,188	130,116
		Edelweiss Securities Limited	94,130,307	-
		ECL Finance Limited	48,917,558	22,106,683
		Ecap Equities Limited	173,861	-
		Edelweiss Alternative Asset Advisors Limited	44,092,349	-
		Edelweiss Global Wealth Management Limited	4,051,999	-
		Edelweiss Finance & Investments Limited	199,811	-
		Edelweiss Asset Reconstruction Company Limited	8,825,636	-
9	Other receivables from	ECL Finance Limited	8,000	-
		Edelweiss Securities Limited	944,000	16,348,762
		Edelweiss Custodial Services Limited	779,498	-
		Edelweiss Commodities Services Limited	35,000	-
10	Interest accrued but not due on debentures and bonds of	ECL Finance Limited	34,494,615	-
11	Interest accrued but not due on borrowings	Ecap Equities Limited	-	22,791,590
12	Margin placed with broker	Edelweiss Custodial Services Limited	59,397,471	281,926,864
		Edelweiss Securities Limited	1,329,072	252,965
13	Corporate Guarantee taken from	Edelweiss Financial Services Limited	8,492,500,000	6,223,200,000



## Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

### 2.29 Disclosure as required by Accounting Standard 18 – "Related Party Disclosure" (Continued)

#### Note

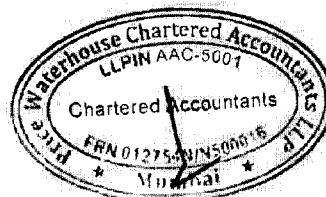
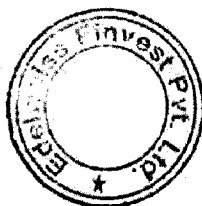
- 1 The intra group Company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.
- 2 Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and provision made for bonus which are provided for group of employees on an overall basis. These are included on cash basis.
- 3 Previous year's figures have been recast/restated where necessary.
- 4 Loan given to fellow subsidiaries are for general corporate business.
- 5 Remuneration to KMP's shall be within the limit as prescribed by the Companies act.
- 6 The above list contain name of only those related parties with whom the Company has undertaken transactions during the year ended 31 March 2018.

### 2.30 Earnings per share

In accordance with Accounting Standard 20 on earnings per shares 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	Year ended	Year ended
	31-Mar-18	31-Mar-17
a) Shareholders earnings (as per statement of profit and loss)	1,332,201,206	463,095,688
b) Calculation of weighted average number of equity shares of ₹ 10 each:		
- Number of equity shares outstanding at the beginning of the year	2,805,998	2,805,998
- Number of equity shares issued during the year	30,519,877	-
Total number of equity shares outstanding at the end of the year	33,325,875	2,805,998
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	11,258,656	2,805,998
c) Weighted average number of diluted equity shares	11,258,656	27,663,884
d) Adjusted net profit for diluted EPS	1,332,201,206	493,267,809
e) Basic earnings per share (in ₹) (a/b)	118.33	165.04
d) Diluted earnings per share (in ₹) (d/c)	118.33	18.15

The basic and diluted earnings per share are the same as there are no dilutive/ potential equity shares issued or outstanding as at 31 March 2018. (Previous year, dilution in earnings per share was on account of Compulsorily convertible non- cumulative preference shares and Compulsorily convertible debentures).



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.31 Disclosure pursuant to Accounting Standard 15 (Revised)-Employee benefits

### A) Defined contribution plan (Provident fund and National Pension Scheme):

Amount of ₹ 545,216 (Previous year: ₹ 272,364) is recognised as expenses and included in "Employee benefit expenses"

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

The following tables summarize the components of the net benefit expenses recognised in the profit and loss account and the fund status and amount recognised in the balance sheet for the gratuity benefit plan

#### Statement of profit and loss

##### Expenses recognised in the Statement of Profit and Loss

	2018	2017
Current service cost	209,000	86,000
Interest cost	125,823	68,110
Actuarial (gain) or losses	(78,000)	(233,000)
Employer expense	256,823	(78,890)

#### Balance Sheet

##### Reconciliation of Defined Benefit Obligation (DBO)

	2018	2017
Present value of DBO at start of year	850,978	1,045,868
Transfer in / (out)	999,000	(116,000)
Current service cost	209,000	86,000
Interest cost	125,823	68,110
Benefits Paid	-	-
Actuarial (Gain) / Loss	(78,000)	(233,000)
Present value of DBO at end of year	2,106,801	850,978

##### Net liability / (Asset) recognised in the Balance Sheet

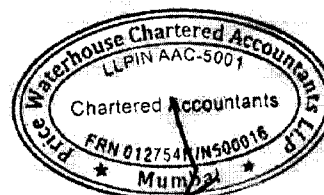
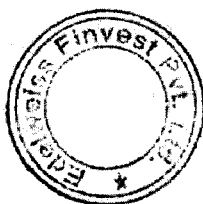
	2018	2017
Present value of DBO	2,106,801	850,978
Fair value of Plan Assets	-	-
Net liability / (Assets)	2,106,801	850,978
Less: Unrecognised Past service cost	-	-
Liability / (Assets) recognised in the Balance Sheet	2,106,801	850,978
Of which, Short term provision	300,000	120,000

#### Experience Adjustment :

Particulars	2018	2017	2016	2015	2014
Defined Benefit Obligation	2,106,801	850,978	1,045,868	1,315,409	360,000
Fair value of Plan Assets	-	-	-	-	-
Surplus / (Deficit)	2,106,801	850,978	1,045,868	1,315,409	360,000
Experience Adjustment on Plan Liabilities:					
(Gain)/Loss	(9,000)	(265,000)	(1,169,000)	327,000	39,000
Experience Adjustment on Plan Assets:					
Gain/(Loss)	-	-	-	-	-

#### Principle actuarial assumptions at the balance sheet date:

	2018	2017
Discount rate	7.30%	6.80%
Salary growth rate	7.00%	7.00%
Employee attrition rate (based on categories)	13%-25%	13%-25%
Mortality rate	IALM 2006-08 (Ult.)	
Expected average remaining working lives of employee	6 years	6 years



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.32 Encumbrances' on fixed deposits held by the Company

i) RBL Bank Limited: ₹ 50,000,000 (Previous year: ₹ 50,000,000) against overdraft facility.

## 2.33 Open interests equity index futures / equity stock futures have open interests as on the balance sheet date 31 March 2018

Index Name	Maturity grouping	Long Position		Short Position	
		Number of contracts	Number of units	Number of contracts	Number of units
Nifty	< 1 month	-	-	519	38,925
Stock future	< 1 month	361	379,975	-	-

Open interests equity index futures / equity stock futures have open interests as on the balance sheet date 31 March 2017

Index Name	Maturity grouping	Long Position		Short Position	
		Number of contracts	Number of units	Number of contracts	Number of units
Nifty	< 1 month	981	73,575	-	-
Nifty	1-2 months	64	4,800	-	-
Stock future	< 1 month	804	1,668,000	-	-

Option contracts are outstanding as on balance sheet date

Option Type	31 March 2018		31 March 2017	
	Premium paid (Net of provision made)	Premium received (Net of provision made)	Premium paid (Net of provision made)	Premium received (Net of provision made)
Equity Index	29,922	10,561,268	-	5,627,378

## 2.34 Contingent liabilities and commitments

### i) Contingent liabilities

a) Taxation matters of Assessment Year 2014-15 in respect of which appeal is pending ₹ 46,380,247 (Previous year: Nil).

The Company's pending litigations mainly comprise of claims against the Company pertaining to proceedings pending with Income tax, service tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

### ii) Commitments

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 1,955,000 (Previous year: Nil).

b) Undrawn committed credit lines (subject to meeting of conditions) of ₹ 828,115,525 (Previous year: Nil).

c) Uncalled liabilities on non-current investments of ₹ 269,840,415 (Previous year ₹ 132,840,000).

2.35 The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favorable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote

## 2.36 Details of dues to micro and small enterprises

Trade Payables includes Nil (Previous year: 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.

## 2.37 Operating leases

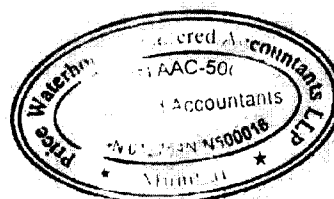
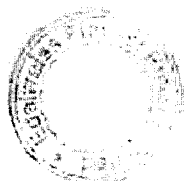
The Company has taken premises on operating lease. Rental expenses for the year ended 31 March 2018 aggregated to ₹ 1,365,092 (Previous year: ₹ 320,749) which has been included under the head other expenses – Rent in the Statement of profit and loss.

## 2.38 Details of transaction with non executive directors

The Company has not undertaken any transaction with its non-executive directors during the year ended 31 March 2018 (Previous year: Nil).

## 2.39 Foreign currency transactions

The Company has not undertaken any foreign currency transaction during the year ended 31 March 2018 (Previous year: Nil).





# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.40 Details of Secured Debentures

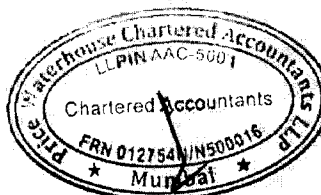
- The Company has an asset cover in excess of 100% in accordance with the terms of the trust deed in respect of listed Secured Redeemable Non-convertible Debentures aggregating to ₹ 13,561,928,520 (Previous year ₹ 5,799,497,860) by way of charge on immovable property, floating charge on movable properties in the form of stock-in-trade, receivables from financing business and corporate guarantee from holding company.
- In case of market linked debentures the interest rate is linked to the performance of the underlying indices and is fluctuating in nature.
- Certain benchmark linked debentures have a clause for an early redemption event which is automatically triggered on the achievement of pre determined benchmark index level(s).

## 2.41 Maturity profile and rate of interest of Long term including Current maturity of long term Non Convertible Debentures are as set out below

As at 31 March 2018

Secured Debentures			Unsecured Debentures		
Maturity	Rate of Interest		Maturity	Rate of Interest	
	Benchmark Linked Debentures*	9.10%		Benchmark Linked Debentures*	11.00%
June-2027	67,769,481	-	January-2028	447,883,159	-
March-2024	166,127,167	-	January-2027	16,013,149	-
September-2022	-	3,471,973,407	July-2025	-	150,000,000
May-2022	2,643,057	-	February-2022	6,697,061	-
March-2022	1,879,279	-	January-2022	19,202,857	-
February-2022	429,029,099	-	December-2020	15,103,748	-
January-2022	10,266,799	-	November-2020	7,644,540	-
September-2021	148,592,710	-	October-2020	25,073,502	-
July-2021	64,870,730	-	September-2020	7,780,156	-
January-2021	7,550,215	-	August-2020	297,832,162	-
December-2020	9,149,989	-	March-2020	40,828,920	-
October-2020	44,601,249	-	September-2019	8,631,199	-
September-2020	253,515,991	-	August-2019	8,677,837	-
August-2020	85,153,490	-	September-2018	14,336,057	-
July-2020	355,308,700	-	August-2018	192,926,887	-
June-2020	437,741,032	-			
May-2020	95,988,462	-			
March-2020	161,831,850	-			
February-2020	108,203,532	-			
January-2020	151,320,393	-			
November-2019	30,470,194	-			
October-2019	83,317,020	-			
September-2019	161,184,380	-			
August-2019	199,918,321	-			
July-2019	261,961,923	-			
June-2019	104,639,187	-			
May-2019	587,617,840	-			
April-2019	132,330,368	-			
March-2019	306,530,767	-			
February-2019	43,222,215	-			
January-2019	129,065,209	-			
December-2018	300,122,511	-			
November-2018	25,049,850	-			
October-2018	1,045,642,083	-			
September-2018	388,452,035	-			
August-2018	2,261,095,976	-			
July-2018	532,988,282	-			
June-2018	258,470,623	-			
May-2018	547,934,879	-			
April-2018	88,398,225	-			
<b>Total</b>	<b>10,089,955,113</b>	<b>3,471,973,407</b>	<b>Total</b>	<b>1,108,631,234</b>	<b>150,000,000</b>

\*Benchmarked Linked debentures have various rate of interest linked with Nifty.



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.41 Maturity profile and rate of interest of Long term including Current maturity of long term Non Convertible Debentures are as set out below (continued)

As at 31 March 2017

Secured Debentures		Unsecured Debentures		
Maturity	Rate of Interest Benchmark Linked Debentures*	Maturity	Rate of Interest Benchmark Linked Debentures*	17.00%
March-2024	300,000,000	January-2027	40,000,000	-
February-2022	12,500,000	February-2022	10,000,000	-
January-2022	15,000,000	January-2022	28,500,000	-
September-2021	50,000,000	August-2020	380,000,000	-
September-2020	50,000,000	March-2020	50,000,000	-
August-2020	10,000,000	December-2017	-	268,873,000
July-2020	364,000,000			
June-2020	544,325,756			
May-2020	119,000,000			
April-2020	10,000,000			
March-2020	192,933,700			
February-2020	130,553,412			
November-2019	30,000,000			
July-2019	60,024,795			
June-2019	80,000,000			
May-2019	587,660,197			
April-2019	34,000,000			
March-2019	151,500,000			
January-2019	60,000,000			
December-2018	302,500,000			
November-2018	10,000,000			
September-2018	41,000,000			
August-2018	27,500,000			
July-2018	370,000,000			
June-2018	185,000,000			
May-2018	475,000,000			
April-2018	20,000,000			
March-2018	1,270,000,000			
January-2018	287,000,000			
October-2017	10,000,000			
<b>Total</b>	<b>5,799,497,860</b>	<b>Total</b>	<b>508,500,000</b>	<b>268,873,000</b>

\*Benchmarked Linked debentures have various rate of interest linked with Nifty.

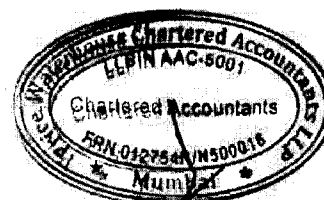
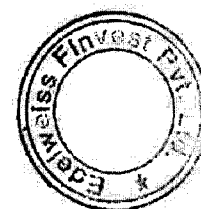
## 2.42 Details of the secured loan taken from Bank

As at March 31 2018

Maturity	Rate of Interest -
	8.55%
June-2022	25,000,000
March-2022	25,000,000
December-2021	25,000,000
September-2021	25,000,000
June-2021	25,000,000
March-2021	25,000,000
December-2020	25,000,000
September-2020	25,000,000
June-2020	25,000,000
March-2020	25,000,000
December-2019	25,000,000
September-2019	25,000,000
June-2019	25,000,000
March-2019	25,000,000
December-2018	25,000,000
September-2018	25,000,000
June-2018	25,000,030
<b>Total</b>	<b>425,000,030</b>

Above term loan is secured by charge on receivables from financing business.

As at March 31 2017 : Nil



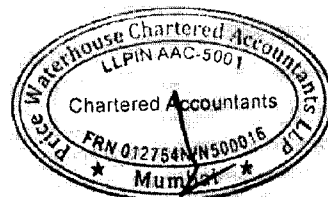
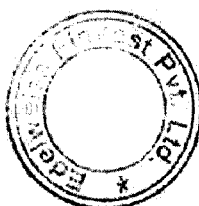
# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.43 Details of purchase, sale and change in stock in trade

	2018	2,017
<b>Opening stock</b>		
Equity shares	662,319,000	-
Preference shares	-	-
Debt instruments	5,919,964,194	1,650,000,000
Mutual Fund	-	-
<b>Total</b>	<b>6,582,283,194</b>	<b>1,650,000,000</b>
<b>Purchase</b>		
Equity shares	1,849,797,242	1,480,191,820
Preference shares	179,170,514	-
Debt instruments	21,705,388,972	4,669,974,209
Mutual Fund	98,490,500,000	-
<b>Total</b>	<b>122,224,856,728</b>	<b>6,150,166,029</b>
<b>Sales</b>		
Equity shares	2,596,824,054	804,358,690
Preference shares	182,237,583	-
Debt instruments	7,040,524,300	400,010,015
Mutual Fund	96,269,690,696	-
<b>Total</b>	<b>106,089,276,632</b>	<b>1,204,368,705</b>
<b>Closing stock</b>		
Equity shares	99,998,080	662,319,000
Preference shares	-	-
Debt instruments	20,632,698,355	5,919,964,194
Mutual Fund	1,498,738,892	-
<b>Total</b>	<b>22,231,435,327</b>	<b>6,582,283,194</b>
<b>Profit/(loss) on sale of securities</b>	<b>(486,427,963)</b>	<b>(13,514,130)</b>



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

## 2.44 Investments

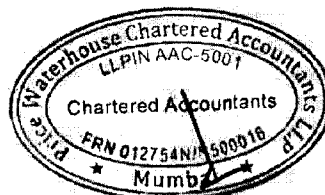
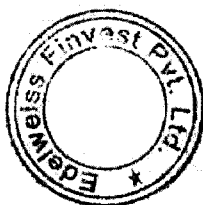
	2018	2017
<b>1) Value of Investments</b>		
i) Gross Value of Investments		
a) In India	4,414,868,836	2,871,423,903
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	77,829,765	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	4,337,039,072	2,871,423,903
b) Outside India	-	-
<b>2) Movement of provisions held towards depreciation on investments.</b>		
i) Opening balance	-	-
ii) Add : Provisions made during the year	77,829,765	-
iii) Less : Write-off / write-back of excess provisions during the year	-	-
iv) Closing balance	77,829,765	-

## 2.45 Capital to Risk Assets Ratio (CRAR)

	2018	2017
i) CRAR (%)	23.10%	42.26%
ii) CRAR - Tier I capital (%)	22.36%	42.03%
iii) CRAR - Tier II Capital (%)	0.74%	0.23%
iv) Amount of subordinated debt raised as Tier-II capital	150,000,000	-
v) Amount raised by issue of Perpetual Debt Instruments	-	-

## 2.46 Exposure to real estate sector, both direct and indirect

	2018	2017
<b>A Direct Exposure</b>		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: (Individual housing loans up to ₹.15 lakhs may be shown separately)	-	-
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	17,230,148,788	4,517,100,000
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
- Residential	-	-
- Commercial Real Estate	-	-
<b>B Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
<b>C Others (not covered above)</b>	-	-



## Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

### 2.47 Exposure to Capital Market

	2018	2017
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1,091,883,527	1,416,496,908
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	971,925,736	225,731
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	7,426,971,436	2,677,964,194
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) bridge loans to companies against expected equity flows / issues	-	-
viii) all exposures to Venture Capital Funds (both registered and unregistered)	286,159,586	-
ix) others (not covered above)	-	-

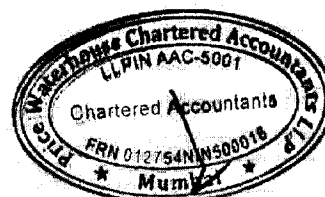
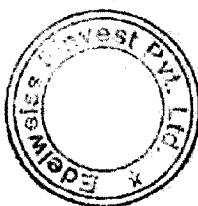
### 2.48 Asset Liability Management -Maturity pattern of certain items of assets and liabilities

As at 31 March 2018

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market borrowings	Inter-corporate loan	Loans and Advances	Investments	Stock in Trade
1 day to 30/31 days (One month)	-	188,398,226	-	406,770,965	-	-
Over One months to 2 months	-	547,934,879	-	5,056,917	-	-
Over 2 months up to 3 months	25,000,000	758,470,623	-	364,877,478	-	-
Over 3 months to 6 months	25,000,000	3,589,799,239	-	14,951,765	-	-
Over 6 months to 1 year	50,000,000	8,813,197,202	3,900,000	538,330,491	-	22,231,435,327
Over 1 year to 3 years	200,000,000	3,681,769,110	-	4,586,725,170	-	-
Over 3 years to 5 years	125,000,030	4,155,155,000	-	162,500,000	-	-
Over 5 years	-	847,792,956	-	720,000,000	4,337,039,072	-
Total	425,000,030	22,582,517,235	3,900,000	6,799,212,786	4,337,039,072	22,231,435,327

As at 31 March 2017

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Inter-corporate loan	Loans and Advances	Investments	Stock in Trade
1 day to 30/31 days (One month)	-	-	-	23,225,731	35,000,000	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months up to 3 months	-	-	-	-	-	-
Over 3 months to 6 months	-	-	-	703,800,000	25,000,000	-
Over 6 months to 1 year	-	1,835,873,000	-	392,269,500	19,000,000	6,582,283,194
Over 1 year to 3 years	-	2,807,672,104	-	290,800,000	-	-
Over 3 years to 5 years	-	1,593,325,756	-	375,000,000	-	-
Over 5 years	-	340,000,000	-	-	2,792,423,903	-
Total	-	6,576,870,860	-	1,785,095,231	2,871,423,903	6,582,283,194



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)  
(Currency: Indian rupees)

## 2.49 Movements in Non Performing Advances:

The following table sets forth, for the periods indicated, the details of movement of gross Non-performing assets (NPAs), net NPAs and provision

	2018	2017
i) Net NPAs to Net advances (%)	0.00%	0.00%
ii) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	1,146,150,000	-
c) Reductions during the year*	662,600,000	-
d) Closing balance	483,550,000	-
iii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iv) Movement of Provisions for NPAs (excluding provision on Standard assets)		
a) Opening Balance	-	-
b) Additions during the year	1,146,150,000	-
c) Reductions during the year	662,600,000	-
d) Closing balance	483,550,000	-

\* Includes NPA written off during the year ₹ 290,800,000 million (Previous year: Nil)

## 2.50 Details of 'Provisions and Contingencies'

Breakup of provisions and contingencies shown in the Statement of Profit and loss	2018	2017
i) Provisions for depreciation on Investment	57,829,765	-
ii) Provision towards NPA	483,550,000	-
iii) Provision made towards Income tax (including deferred tax)	362,643,064	217,209,872
iv) Provision for Standard Assets	67,837,979	12,092,839
v) Other Provision and Contingencies		
a) Provision for gratuity	256,823	(78,890)
b) Provision for compensated absences	124,423	(115,000)

## 2.51 Concentration of Deposits, Advances, Exposures and NPAs

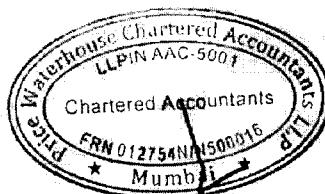
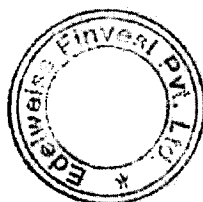
	2018	2017
A) Concentration of Advances		
Total Advances to twenty largest borrowers	16,882,526,316	7,719,936,264
% of Advances to twenty largest borrowers to Total Advances	61.68%	99.96%
B) Concentration of Exposures		
Total Exposures to twenty largest borrowers / Customers	16,882,526,316	7,719,936,264
% of Exposures to twenty largest borrowers / Customers to Total Advances	61.68%	99.96%
C) Concentration of NPAs		
Total Exposures to top Four NPAs	483,550,000	-
D) Sector-wise NPAs		
Sectors/Particulars	% of NPAs to Total Advances in that sector	
1 Agriculture & allied activities	-	-
2 MSME	-	-
3 Corporate borrowers	1.91%	-
4 Services	-	-
5 Unsecured personal loans	-	-
6 Auto loans	-	-
7 Other personal loans	-	-

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

During the year ended 31 March 2018 and 31 March 2017, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

## 2.53 Customer Complaints

	2018	2017
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	-	-
(c) No. of complaints redressed during the year	-	-
(d) No. of complaints pending at the end of the year	-	-



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)  
(Currency: Indian rupees)

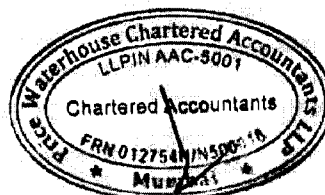
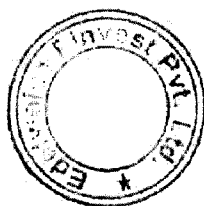
2.54 Note to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Liabilities Side:

Particulars	Amount Outstanding		Amount Overdue	
	2018	2017	2018	2017
1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid				
a) Debentures:				
(other than those falling within the meaning of Public deposit)				
(i) Secured	15,809,845,432	5,799,497,860	-	-
(ii) Unsecured	2,210,137,173	77,737,300	-	-
b) Deferred Credits	-	-	-	-
c) Term Loans	425,000,030	-	-	-
d) Inter-corporate loans and borrowing	7,761,957,481	-	-	-
e) Commercial Paper	-	-	-	-
f) Other loans	-	-	-	-
(i) Inter corporate loan	12,207,670	-	-	-

Assets side:

Particulars	Amount Outstanding	
	2018	2017
2) Break up of Loans and Advances including bills receivables (other than those included in (3) below)		
a) Secured	26,800,020,165	7,112,272,190
b) Unsecured	572,937,960	607,664,074
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	NA	NA
a) Lease assets including lease rentals under sundry debtors:		
(i) Financial Lease	-	-
(ii) Operating Lease	-	-
b) Stock on hire including hire charges under sundry debtors		
(i) Assets on hire	-	-
(ii) Repossessed assets	-	-
c) Other loans counting towards Asset Financing Company activities		
(i) Loans where assets have been repossessed	-	-
(ii) Other loans	-	-
4) Break up of Investments		
Current Investments:		
a) Quoted:		
(i) Shares: Equity	-	-
Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
b) Unquoted:		
(i) Shares: Equity	-	-
Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	79,000,000
(iv) Government Securities	-	-
(v) Others (Pass through certificates)	-	-



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)  
(Currency: Indian rupees)

2.54 Note to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Continued)

4) Break up of Investments (Continued)		Amount Outstanding	
		2018	2017
Long-Term Investments ( Net of Provision )			
a) Quoted:			
(i) Shares: Equity		-	164,035,629
Preference		-	-
(ii) Debentures and Bonds		-	-
(iii) Units of Mutual Funds		-	-
(iv) Government Securities		-	-
(v) Others		-	-
b) Unquoted:			
(i) Shares: Equity		591,883,527	590,142,279
Preference		40,000,950	-
(ii) Debentures and Bonds		-	-
(iii) Units of Mutual Funds		-	-
(iv) Government Securities		-	-
(v) Others		-	-
- Investments in security receipts of trusts		3,404,434,787	2,004,085,995
- Investments in units of funds		286,159,586	29,160,000
- Investments in warrants		14,560,222	5,000,000

5) Borrower group-wise classification of assets financed as in (2) and (3) above  
As at 31 March 2018

Particulars	Secured	Amount net of provisions	
		Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
2. Other than related parties	26,316,470,165	572,937,960	26,889,408,125
<b>TOTAL</b>	<b>26,316,470,165</b>	<b>572,937,960</b>	<b>26,889,408,125</b>

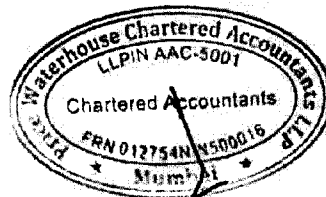
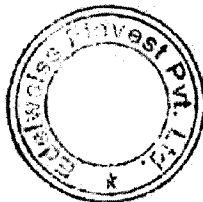
As at 31 March 2017

Particulars	Secured	Amount net of provisions	
		Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	415,269,500	415,269,500
(c) Other related parties	-	-	-
2. Other than related parties	7,112,272,190	192,394,574	7,304,666,764
<b>TOTAL</b>	<b>7,112,272,190</b>	<b>607,664,074</b>	<b>7,719,936,264</b>

6) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted)

Particulars	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)	
	2018	2017	2018	2017
1) Related parties**				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	806,301,865	619,302,279	806,301,865	619,302,279
(c) Other related parties	-	-	-	-
2) Other than related parties	3,530,737,207	2,241,692,707	3,530,737,207	2,252,121,624
<b>TOTAL</b>	<b>4,337,039,072</b>	<b>2,860,994,986</b>	<b>4,337,039,072</b>	<b>2,871,423,903</b>

\*\* As per Accounting Standard 18 - Related Party Disclosures





# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)  
(Currency: Indian rupees)

2.54 Note to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Continued)

## 7) Other Information

Particulars	2018	2017
a) Gross Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	483,550,000	-
b) Net Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	-	-
c) Assets acquired in satisfaction of debt	-	-

### Notes:

- 1 As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- 2 Market value/Breakup Value or Fair Value or NAV is taken as same as book value in case if unquoted shares in absence of market value / breakup value or fair value or NAV.

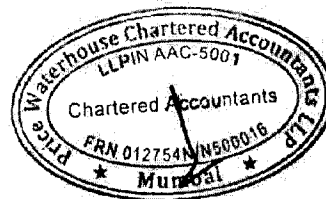
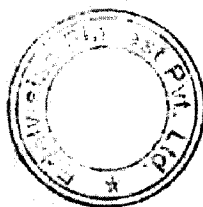
## 2.55 Corporate Social Responsibility (CSR)

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

- a) Gross Amount required to be spent by the Company during the year was Nil (Previous year : Nil).
- b) Amount spent during the year on :

S.no.	Particulars	2018			2017		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
1	Construction/ Acquisition of any assets	-	-	-	-	-	-
2	on purpose other than (i) above	-	-	-	-	-	-

The Company is a subsidiary of Ecap Equities Limited which is wholly owned subsidiary of Edelweiss Financial Services Limited. Edelweiss group is conscious of its Corporate Social Responsibility and, had accordingly established a CSR arm, "EdelGive Foundation" in the year 2008. As an amount of ₹. 177,841,968 (Previous year: ₹. 115,684,300) (representing more than 2% of the consolidated profit of the group) was spent towards CSR activities during the year ended March 31, 2018, the Company has not incurred the prescribed CSR expenditure on a standalone basis during the year ended March 31, 2018.



**Edelweiss Finvest Private Limited****Notes to the financial statements (continued)**

(Currency: Indian rupees)

**2.56 Assets and liabilities acquired on account of merger of finance division of Edelweiss Finance and Investments Limited, a fellow subsidiary**

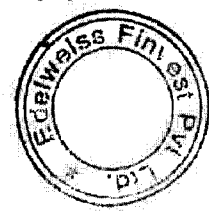
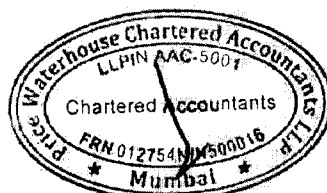
- i) Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 and Sections 230 to 232 of the Companies Act 2013 sanctioned by the National Company Law Tribunal, Mumbai Bench vide its order dated 25 July 2017 ("the Order"), Edelweiss Finance & Investments Limited (EFIL), a fellow subsidiary, ("The Demerged Company" or "The Transferor Company"), has demerged the Lending and Investment Business to Edelweiss Finvest Private Limited (formerly known as Arum Investments Private Limited) ("First Resulting Company" or "EW Finvest"), which is another NBFC engaged in the business of lending and investments, and the Training Centre Business to Edel Land Limited ("Second Resulting Company" or "ELL") which undertakes real estate activities with effect from 1 April 2016 ("the Appointed Date"). The scheme has come into effect from 1 August 2017 ("the Effective Date"). Accordingly, the financial statements of the Company for the year ended 31 March 2018 have been prepared taking into account the effect of the said Order.

## ii) In accordance with the Scheme:

On the Scheme becoming effective with effect from the Appointed date, the Company has taken over all the assets aggregating ₹.10,214,424,626 and liabilities aggregating to ₹ 8,737,815,930 as appearing in the books of Transferor Company related to business of lending and investment business at its respective book value as on Appointed Date. Net asset acquired include.

<b>Asset/Liabilities received under the Scheme</b>	<b>Amount in ₹</b>
<b>Assets</b>	
Investments	3,650,542,560
Deferred Tax	104,928,973
Loans and Advances	5,801,162,974
Other Current Assets and Trade Receivables	657,790,119
<b>Total Assets (A)</b>	<b>10,214,424,626</b>
<b>Liabilities</b>	
Long Term Borrowings	5,874,515,370
Provisions	65,784,601
Trade Payables	17,952,500
Other current liabilities	1,555,562,660
Short term borrowings	1,224,000,799
<b>Total Liabilities (B)</b>	<b>8,737,815,930</b>
<b>Net assets transferred (A-B)</b>	<b>1,476,608,696</b>

- iii) The Scheme of arrangement is a tax neutral merger as per the provisions of Section 2(19AA) of the Income Tax Act, 1961 and accordingly, the assets and liabilities as on appointed date were transferred at cost. The Company has issued 8,279,275 equity shares of ₹10 each at premium of ₹. 168.35 each equity share aggregating to ₹ 1,476,608,696 to Edelweiss Financial Services Limited the 100% shareholder of Edelweiss Finance & Investment Limited in settlement of the purchase consideration for the lending and investment business acquired.
- iv) On account of merger, The Company has received profit after tax of ₹ 286,006,643 from April 1st, 2016 (appointed date) to March 31st, 2017 from Edelweiss Finance & Investments Limited.
- v) The company has cancelled its 466,300, 0.01% Compulsorily convertible non- cumulative preference shares - Series A at par having face value of ₹ 10 each and premium of ₹ 240 each. These shares were held by EFIL and transferred to the Company on account of merger.



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)  
(Currency: Indian rupees)

## 2.57 Details of ratings assigned by credit rating agencies

As at 31 March 2018

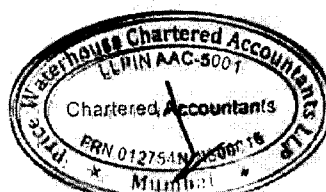
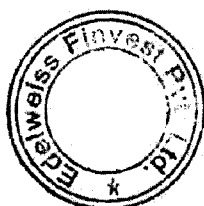
Instrument category	Brickworks	CRISIL	ICRA
i) Long Term Instruments			
Rating	AA+	AA/Stable	AA
Amount	3,300,000,000	12,000,000,000	13,500,000,000
ii) Short term instruments			
Rating		A1+	A1+
Amount		10,000,000,000	10,000,000,000
iii) Market linked debentures			
a Short Term		PP- MLD A1+R	PP-MLD [ICRA]A1+
Rating		5,000,000,000	1,500,000,000
Amount			
b Long Term			
Rating	PP-MLD AA+	PP MLD AA r/Stable	PP-MLD [ICRA]AA
Amount	3,000,000,000	11,500,000,000	13,000,000,000

As at 31 March 2017

Instrument category	CRISIL	ICRA
i) Long Term Instruments		
Rating	AA/Stable	AA
Amount	12,000,000,000	11,000,000,000
ii) Short term instruments		
Rating	A1+	A1+
Amount	10,000,000,000	10,000,000,000
iii) Market linked debentures		
a Short Term	PP- MLD A1+R	PP-MLD [ICRA]A1+
Rating	5,000,000,000	1,500,000,000
Amount		
b Long Term		
Rating	PP MLD AA r/Stable	PP-MLD [ICRA]AA
Amount	6,500,000,000	6,000,000,000

## 2.58 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. On the same lines, employees' costs expended (if any) by the Company for the benefit of fellow subsidiaries is recovered by the Company. Accordingly, and as identified by the management, the expenditure heads in note 2.25 and 2.27 include reimbursements paid and are net of reimbursements received based on the management's best estimate.



# Edelweiss Finvest Private Limited

Notes to the financial statements (continued)

(Currency: Indian rupees)

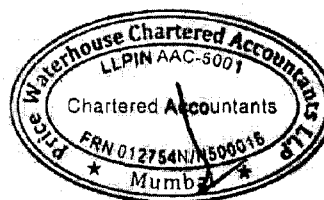
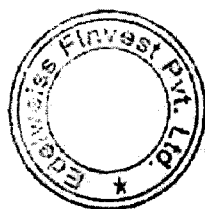
- 2.59 Registration obtained from other financial sector regulators - None
- 2.60 The Company has not restructured any loans and advances during the year ended 31 March 2018 and 31 March 2017.
- 2.61 Disclosure of Penalties imposed by RBI and other regulators- None
- 2.62 Overseas Assets - Nil (Previous year - Nil)
- 2.63 Details of financing of parent company products - None (Previous year - none)
- 2.64 Off-Balance sheet SPV sponsored - None (Previous year - none)
- 2.65 Draw Down from Reserves: (Previous year - Nil)
- 2.66 Disclosure of Penalties imposed by RBI and other regulators- Nil (Previous year - Nil)
- 2.67 Note to the Balance Sheet of a non-banking financial company as required in terms of Chapter II paragraph 5 of Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016 - Nil
- 2.68 Disclosure under Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
Related Party transactions

Particulars	2018	2017
Loans and advances in the nature of loans to subsidiaries	-	-
Loans and advances in the nature of loans to associates	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-
Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	-	-

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

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	24,000	-	24,000
(+) Permitted receipts	-	280	280
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	24,000	-	24,000
Closing cash in hand as on 30.12.2016	-	280	280

*\*For the purpose of this clause, the term Specified Bank Notes (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.*



## Edelweiss Finvest Private Limited

Notes to the financial statements *(continued)*

(Currency: Indian rupees)

- 2.70 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.
- 2.71 Previous year figures have been reclassified to conform to this year's classification.

Signature to notes forming part of the Financial Statements.

For Price Waterhouse Chartered Accountants LLP  
Chartered Accountants  
Firm's Registration No: 012754N / N500016

For and on behalf of the Board of Directors

  
Russell I Parera  
Partner  
Membership No: 42190

  
Pooja Dsouza  
Director  
DIN : 05136515

  
Hari Ram Misra  
Director  
DIN : 07599248

  
Sheetal Gandhi  
Chief Financial Officer

  
Niket Joshi  
Company Secretary

Mumbai  
2 May 2018

Mumbai  
2 May 2018