



INDEPENDENT AUDITOR'S REPORT

To the Directors of Edelweiss Capital (Singapore) Pte. Limited

Opinion

We have audited the accompanying special purpose financial statements (accompanying financial statements) of Edelweiss Capital (Singapore) Pte. Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Financial Statements"). This Special Purpose Financial Statement is prepared for the purpose of preparation of consolidated financial statements for the year ended March 31, 2019 for Edelweiss Financial Services Limited Reporting (Ultimate Holding Company) under Ind-AS.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date and the basis of accounting described in Note 2 to the accompanying Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of Special Purpose Financial Statements of the Company in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Financial Statements.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Financial Statements of the Company

The Company's management is responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the basis of accounting described in Note 2 to the accompanying Special Purpose Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Company for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

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

The Management of the Company and those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for Special Purpose Financial Statements of the Company

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

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

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

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

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

Other matters - restriction of use

The comparative Ind AS financial statements of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 1, 2017, included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements' prepared in accordance with the Generally Accepted Accounting Principles (IGAAP), have been audited by us and have expressed an unmodified opinion on those statements vide report dated April 25, 2018 and May 16, 2017 for the year ended March 31, 2018 and March 31, 2017 respectively, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

This report is issued at the request of the Company and is intended solely for the information and use of the Edelweiss Capital (Singapore) Pte. Limited for its reporting of Consolidated audited financial results for the year ended March 31, 2019 to Edelweiss Financial Services Limited ('Ultimate Parent Company'), and is not intended to be and should not be used for any other purpose or by anyone other than the specified parties without our prior written consent.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. : 119850W



R.P. Soni
Partner

Membership Number: 104796



Place: Mumbai
Date: May 09, 2019

Edelweiss Capital (Singapore) Pte. Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
ASSETS				
Financial assets				
Cash and cash equivalents	8	20,433,615	7,260,910	1,038,730
Loans	9	41,232,346	1,052,571,022	521,910,693
Investments	10	2,747,445,816	2,681,969,434	2,312,796,610
		<u>2,809,111,777</u>	<u>3,741,801,366</u>	<u>2,835,746,033</u>
Non-financial assets				
Other non- financial assets	11	38,281	-	57,161
		<u>38,281</u>	<u>-</u>	<u>57,161</u>
TOTAL ASSETS		<u>2,809,150,058</u>	<u>3,741,801,366</u>	<u>2,835,803,194</u>
LIABILITIES AND EQUITY				
Liabilities				
Financial liabilities				
Trade payables		1,024,000	1,077,754	548,102
Borrowings (other than debt securities)	12	2,708,792,351	3,604,316,450	2,720,948,268
		<u>2,709,816,351</u>	<u>3,605,394,204</u>	<u>2,721,496,370</u>
Non-financial liabilities				
Other non-financial liabilities	13	24,783,890	23,604,784	17,670,651
		<u>24,783,890</u>	<u>23,604,784</u>	<u>17,670,651</u>
Equity				
Equity share capital	14	466,362,829	320,530,822	320,530,822
Other equity		(391,813,012)	(207,728,444)	(223,894,649)
		<u>74,549,817</u>	<u>112,802,378</u>	<u>96,636,173</u>
TOTAL LIABILITIES AND EQUITY		<u>2,809,150,058</u>	<u>3,741,801,366</u>	<u>2,835,803,194</u>

Significant accounting policies and notes to the financial statements

1 to 29

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W

R.P.S.

R. P. Soni

Partner

Membership No.: 104796

Mumbai

May 9, 2019



For and on behalf of the Board of Directors

Ashish Pithawala
Venkatchalam Ramaswamy

Venkatchalam Ramaswamy **Ashish Pithawala**

Director

Director

May 9, 2019

May 9, 2019

Edelweiss Capital (Singapore) Pte. Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations			
Interest income	15	29,421,263	68,655,468
Other income	16	-	135,422,868
Total Income		<u>29,421,263</u>	<u>204,078,336</u>
Expenses			
Finance costs	17	185,816,011	193,077,274
Other expenses	18	90,809,092	2,207,556
Total expenses		<u>276,625,103</u>	<u>195,284,830</u>
Profit/ (loss) before tax		(247,203,840)	8,793,506
Tax expenses			
Current tax	19	-	142,688
Profit/(loss) for the year		<u>(247,203,840)</u>	<u>8,650,818</u>
Profit/ (Loss) for the year		(247,203,840)	8,650,818
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
Foreign Exchange Translation Reserve		4,786,479	7,515,387
Total		<u>4,786,479</u>	<u>7,515,387</u>
Total Comprehensive Income		<u>(242,417,361)</u>	<u>16,166,205</u>
Earnings per equity share (of SGD 1 each):			
Basic and Diluted	20	(36.16)	1.27
Significant accounting policies and notes to the financial statements	1 to 29		

As per our report of even date attached.

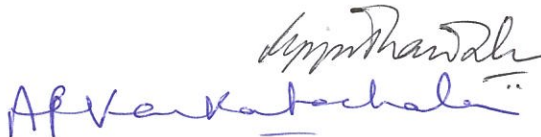

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W



R. P. Soni
Partner
Membership No.: 104796
Mumbai
May 9, 2019



For and on behalf of the Board of Directors

Venkatchalam Ramaswamy **Ashish Pithawala**
Director Director

May 9, 2019

May 9, 2019

Edelweiss Capital (Singapore) Pte. Limited

Statement of Changes in Equity

(Currency : Indian rupees)

(A) Equity share capital

Balance as at 1 April 2017	Changes in equity share capital	Balance as at 31 March 2018	Changes in equity share capital	Balance as at 31 March 2019
320,530,822	-	320,530,822	145,832,007	466,362,829

(B) Other Equity

	Reserves and Surplus			
	Foreign Exchange Translation Reserve	Securtiy premium	Retained earnings	Total
Balance at 1 April 2017 (Indian GAAP)	1,807,032	-	(225,701,681)	(223,894,649)
Ind AS adjustments	(1,807,032)	-	1,807,032	-
Total Comprehensive Income for the year	-	-	(223,894,649)	(223,894,649)
Profit for the year	-	-	8,650,818	8,650,818
Other comprehensive income	7,515,387	-	-	7,515,387
Balance at 31 March 2018 (Ind AS)	7,515,387	-	(215,243,831)	(207,728,444)
Loss for the year	-	-	(247,203,840)	(247,203,840)
Add: Security premium	-	58,332,793	-	58,332,793
Other comprehensive income	4,786,479	-	-	4,786,479
Total Comprehensive Income for the year	4,786,479	58,332,793	(247,203,840)	(184,084,568)
Balance at 31 March 2019 (Ind AS)	12,301,866	58,332,793	(462,447,671)	(391,813,012)

Nature and purpose of reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Singapore Companies Act.

Foreign exchange translation reserve

The functional currency of the Company is Singapore Dollars. These financial statements are prepared and presented in INR which is the functional currency of the Parent company, for the purposes of consolidation. Foreign Exchange Translation reserve represents the exchange difference arising on translation difference arising on conversion of financial statements from functional currency to the presentation currency.

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W



R. P. Soni

Partner

Membership No.: 104796

Mumbai

May 9, 2019



For and on behalf of the Board of Directors



Venkatchalam Ramaswamy

Director

Ashish Pithawala

Director

May 9, 2019

May 9, 2019

Edelweiss Capital (Singapore) Pte. Limited

Cash Flow Statement

(Currency: Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A Cash flow from operating activities		
Profit / (Loss) before taxation	(247,203,840)	8,793,506
<i>Adjustments for</i>		
Interest expense	185,682,639	192,986,576
Operating cash flow before working capital changes	(61,521,201)	201,780,082
<i>Add / (Less): Adjustments for working capital changes</i>		
Decrease/(Increase) in loans and advances (refer note 3)	1,011,300,395	(729,902,368)
Increase in other current liabilities	1,179,106	5,934,133
Increase/ (Decrease) in trade payables	(53,754)	529,652
Cash generated from/ (used in) operations	950,904,546	(521,658,500)
Income taxes paid	-	142,688
Net cash generated from/ (used in) operations activities - A	950,904,546	(521,801,188)
B Cash flow from investing activities - B	-	-
C Cash flow from financing activities		
(Repayments)/ Proceeds from short term borrowings (net) (refer note 3)	(707,605,714)	875,996,974
Interest paid	(169,436,224)	(185,615,368)
Net cash generated from/ (used in) financing activities - C	(877,041,938)	690,381,606
D Change in foreign exchange translation reserve - D	(60,689,903)	(162,358,237)
Net increase in cash and cash equivalents (A+B+C+D)	13,172,705	6,222,181
Cash and cash equivalents as at the beginning of the year	7,260,910	1,038,730
Cash and cash equivalents as at the end of the year	20,433,615	7,260,910

Note :

- During the current year, the Company has converted borrowings from its holding company amounting to Rs. 204,164,800 into its own equity shares. The same being non-cash in nature, hence not disclosed in the above cash flow statement.
- During the previous year, the Company has converted short term loans and advances to its subsidiaries and interest accrued thereon amounting to Rs. 199,299,200 into non-current investment in ordinary shares of subsidiaries. The same being non-cash in nature, hence not disclosed in the above cash flow statement.
- Net figures have been reported for loans and advances and short term borrowings on account of volume of transactions.

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W



R. P. Soni
Partner
Membership No.: 104796
Mumbai
May 9, 2019



For and on behalf of the Board of Directors




Venkatchalam Ramaswamy
Director

Ashish Pithawala
Director

May 9, 2019

May 9, 2019

Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

1. Background

Edelweiss Capital (Singapore) Pte Ltd. (the “Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 133 Cecil Street, Keck Seng Tower, #13-03, Singapore 069535.

The principal activity of the Company is to invest in the shares and securities of other body corporates.

The Company’s immediate and ultimate holding company is Edelweiss Financial Services Limited, incorporated in India.

2. Basis of preparation of financial statements and Functional Currency

These financial statements are Special Purpose Financial Statements drawn under Indian Accounting Standards (Ind-AS) for the purpose of Consolidation with Edelweiss Financial Services Limited (Ultimate Holding Company) for its reporting of Consolidated audited financial results under Ind-AS Division III of Schedule III of the Companies Act, 2013 (“the Act”).

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

The Company being a foreign company prepared its financial statements in Singapore Dollars which is its Functional currency. However for consolidation purpose, the company presents these financial statements in INR, which is the functional currency of the ultimate holding company.

The assets and liabilities are translated into INR at the spot rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at average exchange rate prevailing during the year. The exchange differences arising on translation are recognised in OCI and accumulated as a separate component of other equity.

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31st March 2019 are the first financial statements of the Company prepared under Ind AS. Refer to note 28 for information on how the Company adopted Ind AS.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, which have been measured at fair value. The Financial Statements are presented in Indian Rupees (INR) except when otherwise indicated.

3. Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 22.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies

4.1 Recognition of Interest and Dividend income

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

4.2 Financial Instruments

4.2.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds are available for utilisation to the Company.

4.2.2 Initial measurement of financial instruments

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

4.2.3 Day 1 profit or loss

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.3 Classification of financial instruments

4.3.1 Financial assets:

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

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

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

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

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

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

By default, all other financial assets are subsequently measured at FVTPL.

4.3.1.1 Amortized cost and Effective interest method

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

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

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



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

4 . Significant accounting policies (continued)

4.3.1.2 Investment in equity instruments of subsidiaries

Investments in subsidiary companies are carried at cost and are assessed on a regular basis for impairment. Subsidiaries are entities that are controlled by the Company.

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

4.3.2 Financial liabilities

All financial liabilities are measured at amortised cost except financial guarantees.

4.3.2.1 Debt securities and other borrowed funds

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

4.3.2.2 Financial assets and Financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; Or
- The liabilities are part of a Company of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; Or
- Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.3.3 Financial liabilities and equity instruments

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

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

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

4.4 Reclassification of financial assets and financial liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.5 Derecognition of financial assets and financial liabilities

4.5.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.5.2 Derecognition of financial assets (other than due to substantial modification)

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

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

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

4.5.3 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, would be recognised in profit or loss.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.6 Impairment of financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitment, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates. However if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure expected credit losses.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Company cannot separately identify the expected credit losses on the loan commitment component from those on the financial asset component, the expected credit losses on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined expected credit losses exceed the gross carrying amount of the financial asset, the expected credit losses have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.7 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount.

4.8 Determination of fair value

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4. Significant accounting policies (continued)

4.9 Earnings per share

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

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

4.10 Foreign currency transactions

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

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

4.11 Impairment of non-financial assets

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

4.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand.

4.13 Provisions and other contingent liabilities

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



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

4 Significant accounting policies (continued)

4.14 Income tax expenses

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

4.14.1 Current tax

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

4.14.2 Deferred tax

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

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

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

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

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

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

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

4.14.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

5.1.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

5.1.2 Significant increase in credit risk

As explained in note 4.6, ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

5.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

5.2.1 Fair value of financial instruments

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



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

5. Critical accounting judgements and key sources of estimation uncertainty (continued)

5.2.2 Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- Probabilities of defaults (PDs) the calculation of which includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss model basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, exposure at defaults and loss given defaults (LGDs)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.2.3 Effective interest rate method

- The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.
- For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.
- The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

5.2.4 Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses with respect to certain subsidiaries where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

6. Standards issued but not yet effective

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

The amendments to Ind AS 109 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. These amendments are to be applied for annual periods beginning on or after 1 April, 2019.

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

7. Annual Improvements to Ind AS (2018)

7.1. Ind AS 12 Income taxes

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits. These amendments are to be applied for annual periods beginning on or after 1 April 2019.

7.2. Uncertainty over Income Tax Treatments (Appendix C of Ind AS 12)

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

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

The Appendix is effective for annual periods beginning on or after 1 April 2019. Entities can apply the Appendix with either full retrospective application or modified retrospective application without restatement of comparatives retrospectively or prospectively.

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



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

8. Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with banks - in current accounts	20,433,615	7,260,910	1,038,730
Total	20,433,615	7,260,910	1,038,730

9. Loans at amortised cost

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans to subsidiary company outside India	41,232,346	1,052,571,022	521,910,693
Total	41,232,346	1,052,571,022	521,910,693

Loans given to subsidiary company are unsecured and repayable on demand. It bears an interest rate based on quarterly average borrowing rate plus 25 bps, compounded monthly for the financial year ended 31 March 2019 ranging between **5.72% to 5.94% p.a.** (2018 – 5.77% to 6.78% p.a). The loans are measured at amortised cost.

10. Investments

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(Unquoted shares at cost)			
Investments in ordinary shares of wholly owned subsidiaries			
Edelweiss International (Singapore) Pte. Ltd.	2,184,456,531	2,132,397,157	1,986,490,532
Edelweiss Alternative Asset Advisors Pte. Ltd.	471,110,276	459,882,904	242,753,589
Edelweiss Investment Advisors Pte Limited	91,874,160	89,684,640	83,548,080
Total investment in Ordinary shares of subsidiaries	2,747,440,967	2,681,964,701	2,312,792,201
Investments in Class B shares of wholly owned subsidiary			
Edelweiss Alternative Asset Advisors Pte Ltd.	4,849	4,733	4,409
Total Investment	2,747,445,816	2,681,969,434	2,312,796,610



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11. Other non financial assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Prepaid expenses	38,281	-	57,161
Total	38,281	-	57,161

12. Borrowing (other than debt securities)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loan from holding company	2,084,995,297	3,068,354,913	2,720,948,268
Loan from fellow subsidiary	519,939,661	535,961,537	-
Loan from subsidiary company	103,857,393	-	-
Total	2,708,792,351	3,604,316,450	2,720,948,268

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans outside India	2,708,792,351	3,604,316,450	2,720,948,268
Total	2,708,792,351	3,604,316,450	2,720,948,268

Loans taken from holding company are unsecured having tenure of one year from the date of loan. It bear an interest rate based on quarterly average Indian Government Securities yield, compounded monthly for the financial year ended 31 March 2019 ranging between **6.62% to 7.32% p.a.** (2018 – 6.25% to 6.53% p.a). The loans are measured at amortised cost.

Loans due to fellow subsidiary is unsecured, interest free and repayable on demand. They are measured at amortised cost.

Loans from subsidiary company is unsecured and repayable on demand. It bears a fixed interest rate of **5.50% p.a.**, compounded monthly. The loans are measured at amortised cost.

13. Other non-financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Withholding taxes, Goods and service tax and other taxes payable	24,783,890	23,604,784	17,670,651
Total	24,783,890	23,604,784	17,670,651



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

14. Equity share capital

14.1 Issued capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Issued, Subscribed and Paid up:			
96,70,943 (previous year: 68,13,800) Ordinary shares of SGD 1 each, fully paid up	466,362,829	320,530,822	320,530,822
	466,362,829	320,530,822	320,530,822

The entire share capital is held by Edelweiss Financial Services Limited, the holding company.

14.2 Movement in share capital

Particulars	March 31, 2019		March 31, 2018		March 31, 2017	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	6,813,800	320,530,822	6,813,800	320,530,822	5,313,800	250,465,972
Shares issued during the year	2,857,143	145,832,007	-	-	1,500,000	70,064,850
Outstanding at the end of the year	9,670,943	466,362,829	6,813,800	3,20,530,822	6,813,800	320,530,822

During the year, the Company has issued 2,857,143 shares at a premium of SGD 0.4 per share by converting loans taken from its holding company amounting to Rs. 204,164,800 (previous year: NIL) into ordinary shares.

14.3 Terms / rights attached to equity shares:

The Company has only one class of ordinary shares having a par value of SGD 1 each. Each holder of ordinary shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of ordinary 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 ordinary shares held by the shareholders.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

15. Interest income

Details of interest income on Financial Assets measured at amortised cost is as under:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on loans		
Loans given to subsidiary	29,421,263	65,654,441
Loans to others	-	3,001,027
Total	29,421,263	68,655,468

16. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Foreign exchange gain	-	135,422,868
Total	-	135,422,868

17. Finance cost

Details of interest income on Financial Assets measured at amortised cost is as under:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on borrowings (Other than debt securities)	185,682,639	192,986,576
Other interest expense	133,372	90,698
Total	185,816,011	193,077,274



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

18. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Auditors' remuneration (refer note below)	528,681	412,376
Directors' sitting fees	360,250	380,247
Foreign exchange loss (net)	88,364,441	-
Legal and professional fees	333,336	1,178,226
Membership and subscription	33,040	22,886
Office expenses	329,989	177,070
Postage and courier	3,397	-
Rates and taxes	56,471	36,751
Travelling and conveyance	799,487	-
Total	90,809,092	2,207,556

Note:

Auditors' remuneration

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor	514,660	332,726
For reimbursement of expenses	14,021	79,650
	528,681	412,376



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

19. Income Tax

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

Particulars	2018-19	2017-18
Current tax	-	-
Adjustment in respect of current income tax of prior years	-	142,688
Deferred tax	-	-
Total tax charge	-	142,688

(B) Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2019 and 2018 is, as follows:

Particulars	2018-19	2017-18
Accounting profit before tax as per financial statements	(247,203,840)	8,793,506
Tax rate (in percentage)	17%	17%
Income tax expense calculated based on this tax rate	(42,024,653)	1,494,896
Adjustment in respect of current income tax of prior years	-	142,688
Effect of income not subject to tax	-	(23,021,935)
Effect of non-deductible expenses	42,827,091	21,730,425
Others- Group relief	(802,438)	(203,386)
Tax charge for the year recorded in P&L	-	142,688

Break-up of recognition of current tax

Particulars	2018-19	2017-18
In P&L	-	142,688
In OCI	-	-
Directly in equity	-	-
Total	-	142,688



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

20. Earning per share

Particulars	2019	2018
a) Shareholders earnings (as per statement of profit and loss)		
Less: Preference dividend declared by the Company (including dividend distribution tax)	(247,203,840)	8,650,818
Net Profit available to equity shareholders for the purpose of calculating basic and diluted earnings per share	-	-
	(247,203,840)	8,650,818
b) Calculation of weighted average number of equity shares of SGD 1		
– Number of shares at the beginning of the year	6,813,800	6,813,800
– Number of shares issued during the year	2,857,143	-
Total number of equity shares outstanding at the end of the year	9,670,943	6,813,800
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	6,837,283	6,813,800
c) Number of dilutive potential equity shares	-	-
d) Basic earnings per share {a/b}	(36.16)	1.27
e) Diluted earnings per share {a/(b+c)}	(36.16)	1.27

21. Segment information

The Company has operated only in one business segment during the year viz. capital based business comprising of investing in shares, securities and granting of loans. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements. Further, there are no geographical segments. Hence, no disclosures are required under Segment Reporting.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

22. Maturity analysis of assets and liabilities

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

Particulars	31 March 2019			31 March 2018			01 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial Assets									
Cash and cash equivalents	20,433,615	-	20,433,615	7,260,910	-	7,260,910	1,038,730	-	1,038,730
Loans (group)	41,232,346	-	41,232,346	1,052,571,022	-	1,052,571,022	521,910,693	-	521,910,693
Investments- Group	-	2,747,445,816	2,747,445,816	-	2,681,969,434	2,681,969,434	-	2,312,796,610	2,312,796,610
Non-financial Assets									
Other non-financial assets	38,281	-	38,281	-	-	-	57,161	-	57,161
Total Assets (A)	61,704,242	2,747,445,816	2,809,150,058	1,059,831,932	2,681,969,434	3,741,801,366	523,006,584	2,312,796,610	2,835,803,194



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

22. Maturity analysis of assets and liabilities (continued)

Particulars	31 March 2019			31 March 2018			01 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES									
Financial Liabilities									
Trade Payables	1,024,000	-	1,024,000	1,077,754	-	1,077,754	548,102	-	548,102
Borrowings (Other than debt securities)	2,708,792,351	-	2,708,792,351	3,604,316,450	-	3,604,316,450	2,720,948,268	-	2,720,948,268
Non-Financial Liabilities									
Other non- financial liabilities	24,783,890	-	24,783,890	23,604,784	-	23,604,784	17,670,651	-	17,670,651
Total liabilities (B)	2,734,600,241	-	2,734,600,241	3,628,998,988	-	3,628,998,988	2,739,167,021	-	2,739,167,021
Net (A+B)	(2,672,895,999)	2,747,445,816	74,549,817	(2,569,167,056)	2,681,969,434	112,802,378	(2,216,160,437)	2,312,796,610	96,636,173



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

23. Change in liabilities arising from financing activities

Movement in liabilities arising from financing activities for the financial year 2019 is as below

Particulars	1 April 2018	Cash flows	Changes in fair values	Exchange difference	Other (*)	31 March 2019
Borrowings other than debt securities	3,604,316,450	(877,041,938)	-	-	389,847,439	2,708,792,351
Total liabilities from financing activities	3,604,316,450	(877,041,938)	-	-	389,847,439	2,708,792,351

(*) Other includes interest charge for the year and borrowings & interest there of converted into equity shares

Movement in liabilities arising from financing activities for the financial year 2018 is as below

Particulars	1 April 2017	Cash flows	Changes in fair values	Exchange difference	Other (*)	31 March 2018
Borrowings other than debt securities	2,720,948,268	690,381,606	-	-	192,986,576	3,604,316,450
Total liabilities from financing activities	2,720,948,268	690,381,606	-	-	192,986,576	3,604,316,450

(*) Other includes interest charge for the year



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

24. Related party disclosures

Disclosure as required by Ind AS 24– “Related Party Disclosure”:

(A) Names of related parties by whom control is exercised

Edelweiss Financial Services Limited Holding company

(B) Subsidiaries on whom the control is exercised by the Company:

Edelweiss International (Singapore) Pte. Limited

Edelweiss Alternative Asset Advisors Pte. Limited

Edelweiss Investments Advisors Private Limited

(C) Fellow subsidiary with whom transactions have taken place during the year:

Aster Commodities DMCC

Edelweiss Rural & Corporate Services Limited

Edelweiss Commodities Pte. Limited (upto 5 December 2017)

(D) List of Directors

Venkatchalam Ramaswamy

Kunnasagaran Chinniah

Ashish Pithawala



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

(E) Transactions and balances with Related Parties:

Nature of Transaction	Related Party Name	31 March 2019	31 March 2018
Capital account transactions during the year			
Ordinary shares issued to	Edelweiss Financial Services Limited	204,164,800	-
Investment in ordinary shares of	Edelweiss Alternative Asset Advisors Pte Limited	-	199,299,200
Current account transactions during the year			
Short term loans taken from (refer note below)	Edelweiss Financial Services Limited	-	1,519,353,490
	Aster Commodities DMCC	-	670,742,474
	Edelweiss Commodities Pte. Limited	-	78,544,193
	Edelweiss International (Singapore) Pte Limited	45,334,355	-
	Edelweiss Alternative Asset Advisors Pte Limited	104,853,581	-
Short term loans repaid to (refer note below)	Edelweiss Financial Services Limited	1,186,726,152	1,239,929,990
	Aster Commodities DMCC	-	159,457,179
	Edelweiss Commodities Pte. Limited	-	78,544,193
	Edelweiss International (Singapore) Pte Limited	45,334,355	-
Short term loans given to (refer note below)	Edelweiss International (Singapore) Pte Limited	102,089,339	1,213,191,700
	Edelweiss Alternative Asset Advisors Pte Limited	-	157,868,890
Repayment of Short term loans by (refer note below)	Edelweiss International (Singapore) Pte Limited	1,117,659,142	692,013,246
	Edelweiss Alternative Asset Advisors Pte Limited	81,914,451	186,675,783
Interest paid on loans taken from	Edelweiss Financial Services Limited	185,533,009	192,986,576
	Edelweiss Alternative Asset Advisors Pte Limited	63,080	-
	Edelweiss International (Singapore) Pte Limited	86,550	-
Interest received on loans given to	Edelweiss International (Singapore) Pte Limited	28,074,812	61,721,454
	Edelweiss Alternative Asset Advisors Pte Limited	1,346,451	3,932,987
Cost reimbursements paid to	Edelweiss Rural & Corporate Services Limited*	328,090	177,070



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

Nature of Transaction	Related Party Name	31 March 2019	31 March 2018
Short term borrowings from	Edelweiss Financial Services Limited	1,973,060,204	2,972,603,674
	Aster Commodities DMCC	519,939,661	535,961,537
	Edelweiss Alternative Asset Advisors Pte Limited	103,794,832	-
Trade payables	Edelweiss Rural & Corporate Services Limited*	138,066	78,087
Interest accrued but not due on borrowings from	Edelweiss Financial Services Limited	111,935,093	95,751,239
	Edelweiss Alternative Asset Advisors Pte Limited	62,561	-
Investments in ordinary shares of	Edelweiss International (Singapore) Pte Limited	2,184,456,531	2,132,397,157
	Edelweiss Investment Advisors Private Limited	91,874,160	89,684,640
	Edelweiss Alternative Asset Advisors Pte Limited	471,110,276	459,882,904
Investments in Class B shares of	Edelweiss Alternative Asset Advisors Pte Limited	4,849	4,733
Loans and advances			
Unsecured loans given to	Edelweiss International (Singapore) Pte Limited	41,109,698	988,183,149
	Edelweiss Alternative Asset Advisors Pte Limited	-	58,386,706
Other current assets			
Interest accrued but not due on loans given to	Edelweiss International (Singapore) Pte Limited	122,648	5,945,363
	Edelweiss Alternative Asset Advisors Pte Limited	-	55,804
Others			
Corporate guarantee given on behalf of	Edelweiss International (Singapore) Pte Limited	345,982,774	326,726,126

Notes:

i) Transactions with key management personnel and balance thereof, if any, have not be consider in above Related party disclosure

ii) Loan given/taken to/from related parties are disclosed based on the maximum incremental amount given/taken received during the reporting period.

iii)* With effect from the Appointed Date i.e. 01 August 2018, EFSL Comtrade Limited, Edelweiss Business Services Limited, Edelweiss Agri Value Chain Limited, Edelweiss Capital Markets Limited and Edelweiss Fund Advisors Limited have been merged into Edelweiss Rural & Corporate Services Limited (Formerly Edelweiss Commodities Services Ltd). Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged are considered to be transacted with Edelweiss Rural & Corporate Services Limited and disclosed accordingly.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

25. Capital Management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern.

The Company's definition of "capital employed" includes all components of shareholders equity and borrowings. The amount of capital employed as at 31 March 2019 by the Company is **INR 2,783,342,168** (2018: INR 3,717,118,828).

The Company's capital structure is regularly reviewed and managed having due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company, to the extent these do not conflict with the directors' fiduciary duties towards the Company or the requirements of local regulation. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are to be declared. There were no changes in the Company's approach to capital management during the year.

26. Fair value measurement:

No disclosure in terms of fair value hierarchy has been provided since the fair value of the financial assets and liabilities is approximately their carrying values.

27. Risk Management

The Company's investing activities expose it to various types of risks that are associated with the financial instruments and markets it invests in. The significant risks to which the Company is exposed to is market risk, credit risk, liquidity risk and operation risk.

27.1 Analysis of risk concentration

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The carrying amounts of financial assets in the statement of financial position represent the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of their financial assets.

At the reporting date, there was no significant concentration of credit risk. The maximum credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Company's cash and cash equivalents are held with regulated and reputed financial institutions. Loans comprise of loans given to Group Companies.

Industry analysis - Risk concentration

Particulars	Financial services		
	31 March 2019	31 March 2018	31 March 2017
Financial assets			
Cash and cash equivalent	20,433,615	7,260,910	1,038,730
Investment in subsidiaries	2,747,445,816	2,681,969,434	2,312,796,610
Loans	41,232,346	1,052,571,022	521,910,693
Total	2,809,111,777	3,741,801,366	2,835,746,033

27.2 Liquidity risk and funding management

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The table below summarise the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

27.2.1 Analysis of financial liabilities by remaining contractual maturities

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

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	10,24,000	-	-	-	-	-	10,24,000
Borrowings (other than debt securities)	62,37,97,054	-	-	-	-	-	2,08,49,95,297	-	-	-	2,70,87,92,351
Total	62,37,97,054	-	-	-	10,24,000	-	2,08,49,95,297	-	-	-	2,70,98,16,351

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	10,77,754	-	-	-	-	-	10,77,754
Borrowings (other than debt securities)	53,59,61,537	-	-	-	-	-	3,06,83,54,913	-	-	-	3,60,43,16,450
Total	53,59,61,537	-	-	-	10,77,754	-	3,06,83,54,913	-	-	-	3,60,53,94,204

As at 1 April 2017	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	5,48,101	-	-	-	-	-	5,48,102
Borrowings (other than debt securities)	-	-	-	-	-	-	2,72,09,48,268	-	-	-	2,72,09,48,268
Total	-	-	-	-	5,48,101	-	2,72,09,48,268	-	-	-	2,72,14,96,370



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

Analysis of financial assets by remaining contractual maturities

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

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	20,433,615	-	-	-	-	-	-	-	-	-	20,433,615
Loans	41,232,346	-	-	-	-	-	-	-	-	-	41,232,346
Total	61,665,961	-	-	-	-	-	-	-	-	-	61,665,961

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	7,260,910	-	-	-	-	-	-	-	-	-	7,260,910
Loans	1,052,571,022	-	-	-	-	-	-	-	-	-	1,052,571,022
Total	1,059,831,932	-	-	-	-	-	-	-	-	-	1,059,831,932

As at 1 April 2017	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	1,038,730	-	-	-	-	-	-	-	-	-	1,038,730
Loans	521,910,693	-	-	-	-	-	-	-	-	-	521,910,693
Total	522,949,423	-	-	-	-	-	-	-	-	-	522,949,423



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

27.2.2 Financial assets available to support future funding

Following table sets out availability of Company's financial assets to support funding

31 March 2019	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	20,433,615	20,433,615
Loans	-	-	-	41,232,346	41,232,346
Investments	-	-	2,747,445,816	-	2,747,445,816
Total assets	-	-	2,747,445,816	61,665,961	2,809,111,777

31 March 2018	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	7,260,910	7,260,910
Loans	-	-	-	1,052,571,022	1,052,571,022
Investments	-	-	2,681,969,434	-	2,681,969,434
Total assets	-	-	2,681,969,434	1,059,831,932	3,741,801,366

01 April 2017	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	1,038,730	1,038,730
Loans	-	-	-	521,910,693	521,910,693
Investments	-	-	2,312,796,610	-	2,312,796,610
Total assets	-	-	2,312,796,610	522,949,423	2,835,746,033

*Represents assets which are not pledged and Company believes it is restricted from using to secure funding for legal or other reason

**Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

27.3 Market Risk:

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios.

Particulars	31-Mar-19			31-Mar-18			01-Apr-2017 (i.e. 31-Mar-2017)		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets									
Cash and cash equivalent and other bank balances	20,433,615	-	20,433,615	7,260,910	-	7,260,910	1,038,730	-	1,038,730
Loans	41,232,346	-	41,232,346	1,052,571,022	-	1,052,571,022	521,910,693	-	521,910,693
Total	61,665,961	-	61,665,961	1,059,831,932	-	1,059,831,932	522,949,423	-	522,949,423
Liability									
Borrowings (other than Debt Securities)	2,708,792,351	-	2,708,792,351	3,604,316,450	-	3,604,316,450	2,720,948,268	-	2,720,948,268
Trade payables	1,024,000	-	1,024,000	1,077,754	-	1,077,754	548,102	-	548,102
Total	2,709,816,351	-	2,709,816,351	3,605,394,204	-	3,605,394,204	2,721,496,370	-	2,721,496,370



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

27.3.1 Interest rate risk

Interest rate risk is the risk that the interest bearing financial assets and financial liabilities may change as a result of a change in the prevailing market interest rates. The Company has given as well as taken variable interest rate bearing loans. To that extent the Company is exposed to risk due to fluctuations in the prevailing levels of the market interest rates.

Currency of borrowing / advances	2018-19					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
US dollar	25	(5,089,363)		25	5,089,363	

Currency of borrowing / advances	2017-18					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
US dollar	25	(4,815,085)		25	4,815,085	

27.3.2 Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company borrows and grants loans to subsidiaries and others in United States Dollars. Consequently, it is exposed to foreign currency risk. The Company does not use any derivative financial instruments to hedge this exposure.

Currency	2018-19					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
USD	5	(133,301,290)		5	133,301,290	

Currency	2017-18					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
USD	5	(130,336,467)		5	130,336,467	



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency :Indian Rupees)

28. First-time adoption – mandatory exceptions, optional exemptions

28.1. Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Exemption applied

28.2. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2017 (the transition date).

28.3. Impairment of financial assets

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

28.4. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

28.5. Cumulative translation differences on foreign operations

The Company has elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero.



Edelweiss Capital (Singapore) Pte. Limited

Notes to the financial statements

(Currency : Indian Rupees)

29. A. Reconciliation of Net Profit for the year ended 31 March 2018 as reported under erstwhile Indian GAAP and Ind AS are summarised as below:

Particulars	Year Ended March 31, 2018
Net profit after tax as reported under Indian GAAP	8,650,818
Ind AS adjustments increasing / (decreasing) net profit as reported under Indian GAAP:	-
Net profit as per Ind AS	8,650,818
Other Comprehensive Income after tax as per Ind AS	7,515,387
Total Comprehensive Income as per Ind AS	16,166,205

Other Comprehensive Income primarily includes effect of foreign currency translation on conversion of functional currency into presentation currency for the purposes of Consolidation with the Ultimate Parent Entity.

29. B. Reconciliation of Networth as reported under erstwhile Indian GAAP and Ind AS are summarised as below:

Particulars	As at March 31, 2018	As at April 01, 2017
Shareholder's Equity as reported under Indian GAAP	112,802,378	96,636,173
Ind AS adjustments increasing / (decreasing) networth as reported under Indian GAAP	-	-
Shareholder's Equity as per Ind AS	112,802,378	96,636,173

1. Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

2. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W

For and on behalf of the Board of Directors



R. P. Soni

Partner

Membership No.: 104796

Mumbai

May 9, 2019





Venkatchalam Ramaswamy

Director

May 9, 2019



Ashish Pithawala

Director

May 9, 2019