

Edelweiss International (Singapore) Pte Limited
Financial Statements for the year ended 31 March 2019

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying special purpose financial statements (accompanying financial statements) of Edelweiss International (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 than 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.

B - 46, 3rd Floor, Pravasi Estate, V N Road, Goregaon (E), Mumbai - 400 063.

Tel.: +91. 22. 4908 4401 | Email: info@ngsco.in

www.ngsco.in



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 10, 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 International (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

B - 46, 3rd Floor, Pravasi Estate, V N Road, Goregaon (E), Mumbai - 400 063.

Tel.: +91. 22. 4908 4401 | Email: info@ngsco.in

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Edelweiss International (Singapore) Pte Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Financial assets				
Cash and cash equivalents	7	433,570,769	229,341,988	364,189,614
Derivative financial instruments	8	169,251,987	228,214,925	10,332,482
Trade receivables	9	29,444,652	5,712,142	-
Stock in trade	10	420,791,209	258,695,107	1,081,163,307
Loans	11	-	-	334,624,065
Investments	12	137,842,639	1,220,856,361	1,095,944,742
Other financial assets	13	550,149,393	1,584,549,830	1,807,657,576
		1,741,050,649	3,527,370,353	4,693,911,786
Non-financial assets				
Current tax assets (net)		-	-	2,207,156
Deferred tax assets (net)	28	4,123,576	151,654,677	59,024,708
Property, plant and equipment	14	5,675,579	13,683,219	19,183,406
Other intangible assets	15	121,729	356,130	1,046,426
Other non- financial assets	16	7,800,379	10,457,667	19,230,929
		17,721,263	176,151,693	100,692,625
Total assets		1,758,771,912	3,703,522,046	4,794,604,411
Liabilities and equity				
Liabilities				
Financial liabilities				
Trade payables				
Other payables		17,650,045	23,356,216	49,158,339
Borrowings (other than debt securities)	17	41,216,987	989,547,036	1,479,894,941
Other financial liabilities	18	334,578,695	944,519,428	1,090,720,781
		393,445,727	1,957,422,680	2,619,774,061
Non-financial liabilities				
Provisions	19	1,954,328	4,517,737	775,037
Other non-financial liabilities	20	1,066,363	970,032	374,197
		3,020,691	5,487,769	1,149,234
Equity				
Equity share capital	21	2,063,307,500	2,063,307,500	2,063,307,500
Other equity		(701,002,006)	(322,695,903)	110,373,616
		1,362,305,494	1,740,611,597	2,173,681,116
Total liabilities and equity		1,758,771,912	3,703,522,046	4,794,604,411

Significant accounting policies and notes to the financial statements

1 to 40

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

9 May 2019



For and on behalf of the Board of Directors



Rahul R. Kumar

Director



Sagar Anand

Director

9 May 2019

Edelweiss International (Singapore) Pte Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations			
Interest income	22	32,484,272	28,780,868
Dividend income		(1,161,034)	73,577,379
Net gain on fair value changes	23	741,934	(163,083,980)
Other income	24	37,372,407	49,612,336
Total income		69,437,579	(11,113,397)
Expenses			
Finance costs	25	60,525,140	129,353,680
Employee benefits expense	26	129,588,216	121,178,569
Depreciation and amortization expenses	14 & 15	12,171,309	10,745,202
Other expenses	27	213,731,603	260,457,378
Total expenses		416,016,268	521,734,829
Loss before tax		(346,578,689)	(532,848,226)
Tax expenses	28	159,138,342	(103,872,817)
Loss for the year		(505,717,031)	(428,975,409)
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans		3,292,247	-
Total (A)		3,292,247	-
(B) Items that will be reclassified to profit or loss			
Net gain/(loss) on debt instruments measured FVOCI		12,917,151	(7,613,098)
Foreign exchange translation reserve		115,503,873	2,853,246
Total (B)		128,421,024	(4,759,852)
Other comprehensive income/(loss) (A+B)		131,713,271	(4,759,852)
Total comprehensive income		(374,003,760)	(433,735,261)
Earnings per equity share (Face value of SGD 1 each):			
Basic & Diluted	29	(11.82)	(10.02)

Significant accounting policies and notes to the financial statements

1 to 40

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

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R. P. Soni

Partner

Membership No.: 104796

Mumbai

9 May 2019



For and on behalf of the Board of Directors


Rahul R. Kumar

Director


Sagar Anand

Director

9 May 2019

Edelweiss International (Singapore) Pte Limited

Statement of changes in equity

(Currency : Indian rupees)

Equity share capital

	At 1 April 2017	Changes in equity share capital	At 31 March 2018	Changes in equity share capital	At 31 March 2019
	2,063,307,500	-	2,063,307,500	-	2,063,307,500

Other Equity

	Reserves and surplus		Other comprehensive income		Total
	Retained earnings	Stock options reserve	Available for sale reserve	Foreign exchange translation reserve	
Balance at 1 April 2017 (Indian GAAP)	66,828,096	-	-	(21,880,114)	44,947,982
Ind AS adjustments	44,749,082	4,251,602	(5,455,164)	21,880,114	65,425,634
Profit or loss for the year	(428,975,409)	665,742	-	-	(428,309,667)
Other comprehensive income	-	-	(7,613,098)	2,853,246	(4,759,852)
Total Comprehensive Income for the year	(428,975,409)	665,742	(7,613,098)	2,853,246	(433,069,519)
Balance at 31 March 2018 (Ind AS)	(317,398,231)	4,917,344	(13,068,262)	2,853,246	(322,695,903)
Profit or loss for the year	(505,717,031)	-	-	-	(505,717,031)
Other comprehensive income	3,292,247	(4,302,344)	12,917,151	115,503,873	127,410,927
Total Comprehensive Income for the year	(502,424,784)	(4,302,344)	12,917,151	115,503,873	(378,306,104)
Balance at 31 March 2019 (Ind AS)	(819,823,015)	615,000	(151,111)	118,357,119	(701,002,006)



Edelweiss International (Singapore) Pte Limited

Statement of changes in equity (continued)

(Currency : Indian rupees)

Nature and purpose of reserve

1. Available for sale reserve

Available for sale reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the assets are derecognised or impaired

2. Share option reserve

The share option reserve comprises the cumulative value of employee services received for the issue of the options under the share plans of the ultimate holding company.

3. Foreign Exchange Translation Reserve

The functional currency of the Company is United states Dollars. These financial statements are prepared and presented in INR which is the functional currency of the Ultimate Parent Entity, 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

9 May 2019



For and on behalf of the Board of Directors



Rahul R. Kumar

Director

Sagar Anand

Director

9 May 2019



Edelweiss International (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		
Loss before taxation	(346,578,689)	(532,848,226)
<i>Adjustments for</i>		
Depreciation and amortization expenses	12,171,309	10,745,202
Provision for compensated absences	160,898	79,765
Provision for gratuity	380,607	-
Net loss / (gain) on FVOCI debt instrument	10,340,957	(1,057,346)
Interest income in respect of investing activity	(7,590,239)	(10,253,579)
Interest income on loans given	(95,621)	(1,714,986)
Interest expense on borrowings (other than debt securities)	32,917,847	63,250,759
Expense on Employee Stock Option Scheme (ESOP)	(4,302,344)	665,742
Operating cash flow before working capital changes	(302,595,275)	(471,132,669)
<i>Adjustments for working capital changes</i>		
Decrease in financial assets	1,034,400,437	223,107,746
Decrease / (increase) in derivative financial instruments	58,962,938	(217,882,443)
Decrease in other non-financial assets	2,657,288	8,773,262
(Increase) / decrease in stock in trade	(162,096,102)	822,468,200
Increase in trade receivables	(23,713,675)	(2,046,012)
Decrease in trade payables	(5,706,171)	(25,802,123)
Decrease in other financial liabilities	(609,940,733)	(146,201,353)
Increase in other non-financial liabilities	96,331	595,835
Cash (used in) / generated from operations	(7,934,962)	191,880,443
Income taxes (paid) / refund received	(354,089)	14,485,117
Net cash (used in) / generated from operating activities - A	(8,289,051)	206,365,560
B Cash flow from investing activities		
Purchase of fixed and intangible assets	(2,955,941)	(4,547,948)
Purchase of FVOCI debt instrument	(657,541,360)	(519,768,954)
Proceeds from sale of FVOCI debt instrument	1,740,539,776	389,334,673
Interest received on investment measured at FVOCI debt instrument	10,181,739	9,220,490
Interest received on loans given	95,621	1,783,261
Proceeds from repayment of loans given to fellow subsidiaries (net) (Refer note 1 below)	-	334,555,790
Net cash generated from investing activities - B	1,090,319,835	210,577,312
C Cash flow from financing activities		
Repayment of borrowings (other than debt securities) (refer note 1 below)	(942,535,982)	(495,402,747)
Interest paid on borrowings (other than debt securities)	(38,711,914)	(58,195,916)
Net cash used in financing activities - C	(981,247,896)	(553,598,663)



Edelweiss International (Singapore) Pte. Limited

Cash Flow Statement

(Currency: Indian Rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
D Foreign exchange translation reserve - D	103,445,893	1,808,167
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	204,228,781	(134,847,624)
Cash and cash equivalent as at the beginning of the year	229,341,988	364,189,614
Cash and cash equivalent as at the end of the year	433,570,769	229,341,988

Note:

1 Net figures have been reported 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

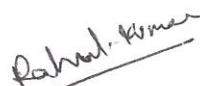
Membership No.: 104796

Mumbai

9 May 2019



For and on behalf of the Board of Directors



Rahul R. Kumar
Director



Sagar Anand
Director

9 May 2019

Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

1. Background

Edelweiss International (Singapore) Pte. Limited (the “Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 133 Cecil Street, #13-03 Keck Seng Tower, Singapore 069535. The principal activities of the Company is to undertake trading and investment activities.

The immediate holding company is Edelweiss Capital (Singapore) Pte. Ltd., incorporated in Singapore. The ultimate holding company is Edelweiss Financial Services Limited, which is incorporated in India and listed on the Indian Stock Exchange.

The Company has formed a Branch in United Arab Emirates (UAE) on 12 September 2017. The Branch is registered with the Dubai Multi Commodities Centre Authority (DMCCA) and is located at AG-14K, AG Tower, Plot No: JLT-PH1-11A, Jumeirah Lakes Towers, Dubai, United Arab Emirates. The principal activity of the Branch is to undertake proprietary trading on regulated exchanges (DMCC).

2. Basis of preparation of financial statements and Functional Currency

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 United States Dollar (USD) which is its Functional currency. However for consolidation purpose, the company presents these financial statements in Indian rupees (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 40 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, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value. The Financial Statements are presented in INR.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

3. Presentation of financial statements

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 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 32.

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

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

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).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.1 Recognition of Interest and dividend income (continued)

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

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.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.2 Financial instruments (continued)

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

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.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.3 Classification of financial instruments (continued)

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.

4.3.1.2 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Financial assets designated at FVTPL, please refer note 4.3.2.2

4.3.1.3 Investment in equity instruments

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 derivative financial liabilities.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.3 Classification of financial instruments (continued)

4.3.2.1 Debt securities and other borrowed funds

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

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
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

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.



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(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.3 Classification of financial instruments (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.

4.3.4 Derivatives

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Company has designed a risk strategy based to cover exposure on issuance of Nifty Linked Debentures, by entering into a derivative contracts either to minimize the loss or to earn a minimum committed income by entering into a combination of derivative contracts (say for example purchased call and put options) with a wide range of strike prices. Above strategy has been approved by the risk committee and ensures that risk is fully or partially covered, hence supports to reduce the risk exposure.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in profit or loss immediately.

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.



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Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

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.

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.



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Notes to the financial statements for the year ended 31 March 2019

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4. Significant accounting policies (continued)

4.5 Derecognition of financial assets and financial liabilities (continued)

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 financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial 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.

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 and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

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. 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 ECL.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) 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 an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.



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4. Significant accounting policies (continued)

4.6 Impairment of financial assets (continued)

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 (EAD), 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 ECL 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 ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL 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.

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.



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Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.8 Determination of fair value

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

- 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 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.



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Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

4. Significant accounting policies (continued)

4.8 Determination of fair value (continued)

- 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.

4.9 Operating leases

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

4.10 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.



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Notes to the financial statements for the year ended 31 March 2019

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4. Significant accounting policies (continued)

4.11 Foreign currency transactions

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

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

4.12 Retirement and other employee benefit

The accounting policy followed by the company in respect of its employee benefit schemes in accordance with Accounting Standard is set out below:

Gratuity

The employees based out of U.A.E are eligible for end of service benefits in accordance with the U.A.E Labour Laws. The provision for end of service benefits is done based on current remuneration and periods of service at the end of the reporting period.

Compensated Absences

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

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods



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Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees) .

4. Significant accounting policies (continued)

4.12 Retirement and other employee benefit (continued)

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

4.13 Share-based payment arrangements

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

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

4.14 Property, plant and equipment

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

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

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



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Notes to the financial statements for the year ended 31 March 2019

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4. Significant accounting policies (continued)

4.14 Property, plant and equipment (continued)

The estimated useful lives of the fixed assets are as follows:

Renovation	1 – 2 years (Over the period of lease)
Computer	1 – 3 years
Computer software	3 years
Office equipment	3 years
Furniture and Fixtures	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

For transition to Ind AS, the Company has elected to continue with carrying value of all of its property, plant and equipment recognized as of 1 April 2017 (transition date) and use that carrying value as its deemed cost as of the transition date

4.15 Intangible assets

The Company's intangible assets mainly include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life.



Edelweiss International (Singapore) Pte Limited

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4. Significant accounting policies (continued)

4.16 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.

4.17 Cash and cash equivalents

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

4.18 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.



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4. Significant accounting policies (continued)

4.19 Income tax expenses

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

Current tax

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

Deferred tax

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

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.



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4. Significant accounting policies (continued)

4.19 Income tax expense (continued)

Deferred tax (continued)

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.

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.

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.

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 Group's of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance 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.



Edelweiss International (Singapore) Pte Limited

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

5.1 Critical judgements in applying accounting policies (continued)

Business model assessment (continued)

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.

5.2 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 International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

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

5.2 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 Company's EIR methodology, as explained in Note 4.3.1.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.



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

5.2 Key sources of estimation uncertainty (continued)

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.

6. Standards issued but not yet effective

6.1. Ind AS 116 Leases:

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The application of this standard is not likely to have a material impact on the Financial Statements.

6.2. 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.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

6. Standards issued but not yet effective (continued)

6.3. Annual Improvements to Ind AS (2018)

6.3.1 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.

6.3.2 Ind AS 23 Borrowing costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. These amendments are to be applied for annual periods beginning on or after 1 April 2019.

6.4. Plan Amendment, Curtailment or Settlement (Amendments to Ind AS 19)

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

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

These amendments are to be applied to plan amendments, curtailments or settlements occurring on or after 1 April 2019.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

6. Standards issued but not yet effective (continued)

6.5. 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 International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

7. Cash and cash equivalents

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Balances with banks			
- in current accounts	433,570,769	229,341,988	364,189,614
Total	433,570,769	229,341,988	364,189,614



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

8. Derivative Financial Instruments

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	31 March 2019					Fair value of liability
	Notional		Fair value of asset	Notional		
	Unit	Notional amount		Unit	Notional amount	
(i) Currency derivatives						
-Spot and forwards	Number of currency Units	12,665,833	22,753,538	-	-	-
-Options purchased	Number of units	522,900,000	153,327,455	-	-	-
-Options sold (written)	-	-	-	Number of units	509,900,000	152,759,697
Less: amounts offset (refer offsetting disclosure)			(22,753,538)			(152,759,697)
Subtotal (i)			153,327,455			-
(ii) Interest rate derivatives						
-Forward Rate Agreements and Interest Rate Swaps	Number of units	500,000,000	906,352	-	-	-
Less: amounts offset (refer offsetting disclosure)			(906,352)			
Subtotal (ii)			-			-
(iii) Equity linked derivatives						
-Options purchased	Number of units	1,500	546,827	-	-	-
-Options sold (written)	-	-	-	Number of units	9,300	9,925,747
-Swaps	-	-	-	Number of units	88,000	22,195,094
Less: amounts offset (refer offsetting disclosure)						(32,120,841)
Subtotal (iii)			546,827			-
(iv) Index linked derivatives						
-Index Futures	-	-	-	Number of units	499,860	582,285
-Options purchased	Number of units	8,003,100	15,377,705	-	-	-
-Options sold (written)	-	-	-	Number of units	8,004,510	26,844,196
-Others	-	-	-	-	-	-
Less: amounts offset (refer offsetting disclosure)						(27,426,481)
Subtotal (iv)			15,377,705			-
(v) Other derivatives						
- Variance swaps	-	-	-	Number of contracts	814	(8,579,145)
Less: amounts offset (refer offsetting disclosure)						8,579,145
Subtotal (v)			-			-
Total Derivative Financial Instruments (i+ii+iii+iv+v)			169,251,987			-



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

8. Derivative Financial Instruments (continued)

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	31 March 2018					Fair value of liability
	Notional		Fair value of asset	Notional		
	Unit	Notional amount		Unit	Notional amount	
(i) Currency derivatives						
-Spot and forwards	Number of currency Units	55,574,097	(1,134,239)	Number of currency Units	135,713,580	755,907,016
-Currency Futures	-	-	-	Number of contracts	14	(456,730)
-Options purchased	Number of units	484,944,480	162,332,317	-	-	-
-Options sold (written)	-	-	-	Number of units	504,855,751	558,988,977
Less: amounts offset (refer offsetting disclosure)			1,134,239			(1,314,439,263)
Subtotal (i)			162,332,317			-
(ii) Interest rate derivatives						
-Interest Rate Swaps	Number of units	2,750,000,000	1,609,061	Number of units	1,500,000,000	(624,488)
-Futures	-	-	-	Number of units	30	1,128,109
Less: amounts offset (refer offsetting disclosure)			(1,609,061)			(503,621)
Subtotal (ii)			-			-
(iii) Equity linked derivatives						
-Options purchased	Number of units	242	33,279,338	-	-	-
-Options sold (written)	-	-	-	Number of units	341	69,809,992
-Swaps	Number of units	32,365,851	471,061,505	-	-	-
Less: amounts offset (refer offsetting disclosure)			(471,061,505)			(69,809,992)
Subtotal (iii)			33,279,338			-
(iv) Index linked derivatives						
-Index Futures	Number of units	1,738	(5,939,567)	Number of units	144	2,530,281
-Options purchased	Number of units	123	32,603,270	-	-	-
-Options sold (written)	-	-	-	Number of units	183	19,489,647
Less: amounts offset (refer offsetting disclosure)			5,939,567			(22,019,928)
Subtotal (iv)			32,603,270			-
(v) Other derivatives						
- Variance swaps	Number of units	1,242,859	(21,471,239)	-	-	-
- Total return swaps	-	-	-	Number of units	1,974,438	1,269,801
Less: amounts offset (refer offsetting disclosure)			21,471,239			(1,269,801)
Subtotal (v)			-			-
Total Derivative Financial Instruments (i+ii+iii+iv+v)			228,214,925			-



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

8. Derivative Financial Instruments (continued)

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	1 April 2017					
	Notional		Fair value of asset	Notional		Fair value of liability
	Unit	Notional amount		Unit	Notional amount	
(i) Currency derivatives						
-Spot and forwards	Number of units	202,429,117	118,634,084	Number of units	22,698,600	233,136,199
-Currency Futures	Number of contracts	128,675	43,046,966	Number of contracts	5	711,198
-Options purchased	Number of units	310,000,000	8,300,897	-	-	-
-Options sold (written)	-	-	-	Number of units	837,750,000	849,130,288
Less: amounts offset (refer offsetting disclosure)			(161,681,050)			(1,082,977,685)
Subtotal (i)			8,300,897			-
(ii) Interest rate derivatives						
-Futures	-	-	-	Number of units	10	(62,812)
Less: amounts offset (refer offsetting disclosure)			-			62,812
Subtotal (ii)			-			-
(iii) Equity linked derivatives						
-Options sold (written)	-	-	-	Number of units	20,500	27,900,698
-Swaps	Number of units	52,541,770	518,005,561	Number of units	22,698,600	15,412,330
Less: amounts offset (refer offsetting disclosure)			(518,005,561)			(43,313,028)
Subtotal (iii)			-			-
(iv) Index linked derivatives						
-Index Futures	Number of units	894	73,985,960	Number of units	3,022	39,638,432
-Options purchased	Number of units	27,600	2,031,585	-	-	-
-Options sold (written)	-	-	-	Number of units	29,945,850	28,845,167
Less: amounts offset (refer offsetting disclosure)			(73,985,960)			(68,483,599)
Subtotal (iv)			2,031,585			-
Total Derivative Financial Instruments (i+ii+iii+iv)			10,332,482			-



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

8a. Offsetting

Financial assets subject to offsetting, netting arrangements

At 31 March 2019		Offsetting recognised in balance sheet		Net asset recognised in balance sheet
Particulars	Gross asset before offset	Amount Offset*		
Derivative financial assets	13,536,220,566	13,366,968,579		169,251,987

* As at the reporting date 31-March-2019, the amount of cash margin received that has been offset against the gross derivative assets is Rs. 13,366,968,579

At 31 March 2018		Offsetting recognised in balance sheet		Net asset recognised in balance sheet
Particulars	Gross asset before offset	Amount Offset*		
Derivative financial assets	854,402,646	626,187,721		228,214,925

* As at the reporting date 31-March-2018, the amount of cash margin received that has been offset against the gross derivative assets is Rs. 626,187,664

At 1 April 2017		Offsetting recognised in balance sheet		Net asset recognised in balance sheet
Particulars	Gross asset before offset	Amount Offset*		
Derivative financial assets	1,805,756,726	1,795,424,244		10,332,482
Stock in trade	4,103,872,194	3,022,708,887		1,081,163,307

* As at the reporting date 31-March-2017, the amount of cash margin received that has been offset against the gross derivative assets is Rs. 1,795,424,241

Financial liabilities subject to offsetting, netting arrangements

At 31 March 2019		Offsetting recognised in balance sheet		Net liability recognised in balance sheet
Particulars	Gross liability before offset	Amount Offset*		
Derivative financial liabilities	216,085,055	216,085,055		-

* As at the reporting date 31-March-2019, the amount of cash margin received that has been offset against the gross derivative liability is Rs. 216,085,055

At 31 March 2018		Offsetting recognised in balance sheet		Net liability recognised in balance sheet
Particulars	Gross liability before offset	Amount Offset*		
Derivative financial liabilities	7,316,669,008	7,316,669,008		-

* As at the reporting date 31-March-2018, the amount of cash margin received that has been offset against the gross derivative liability is Rs. 7,316,669,008

At 1 April 2017		Offsetting recognised in balance sheet		Net liability recognised in balance sheet
Particulars	Gross liability before offset	Amount Offset*		
Derivative financial liabilities	7,727,310,481	7,727,310,481		-

* As at the reporting date 31-March-2017, the amount of cash margin received that has been offset against the gross derivative liability is Rs. 7,727,310,481



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

9. Trade receivables

Particulars	31 March 2019	31 March 2018	1 April 2017
Receivables considered good - Secured	-	-	-
Receivables considered good - Unsecured	29,444,652	5,712,142	-
Receivables which have significant increase in credit risk	-	-	-
Receivables - Credit impaired	-	-	-
	29,444,652	5,712,142	-
Less : Allowance for expected credit losses	-	-	-
Total	29,444,652	5,712,142	-

Provision matrix for Trade receivables

ECL rate	Trade receivables days past due	Trade receivables days past due					Total
		Current	1-90days	91-180 days	181-360 days	more than 360 days	
31 March 2019	Estimated total gross carrying amount at default	29,444,652	-	-	-	-	29,444,652
	ECL - Simplified approach	-	-	-	-	-	-
	Net carrying amount	29,444,652	-	-	-	-	29,444,652
31 March 2018	Estimated total gross carrying amount at default	5,712,142	-	-	-	-	5,712,142
	ECL - Simplified approach	-	-	-	-	-	-
	Net carrying amount	5,712,142	-	-	-	-	5,712,142
1 April 2017	Estimated total gross carrying amount at default	-	-	-	-	-	-
	ECL - Simplified approach	-	-	-	-	-	-
	Net carrying amount	-	-	-	-	-	-



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

10. Stock in trade

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
At fair value through profit or loss			
Equity shares (quoted)	420,791,209	258,695,107	4,103,872,194
Total (A)	420,791,209	258,695,107	4,103,872,194
(i) Investments outside India	420,791,209	258,695,107	4,103,872,194
(ii) Investment in India	-	-	-
Total (B)	420,791,209	258,695,107	4,103,872,194
Less: amounts offset (refer offsetting disclosure) (C)	-	-	(3,022,708,887)
Net (A-C)	420,791,209	258,695,107	1,081,163,307

Note:

As at 31 March 2017, the company had availed loan of INR 3,022,708,887 from a prime broker, repayable on demand, secured against above stated equity securities. Pursuant to the master netting arrangement with the Prime Broker, the company has a right to set off the loan against the equity securities. Further, the company also intends to settle the same on a net basis. Thus the above equity securities are presented net off the amounts borrowed



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

11. Loans

Particulars	At Amortised Cost		
	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Unsecured loans			
Loans given to related parties, repayable on demand			
EC Global Limited	-	-	334,624,065
Total (A) gross	-	-	334,624,065
Less: Impairment loss allowance	-	-	-
Total (A) net	-	-	334,624,065
(i). Loans in India	-	-	-
(ii). Loans outside India	-	-	334,624,065
Less: Impairment loss allowance	-	-	-
Total (B) net	-	-	334,624,065



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

12. Investments

Particulars	At fair value through OCI		
	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(i) Government Securities (Quoted)	137,842,639	1,220,856,361	1,095,944,742
Total (A)	137,842,639	1,220,856,361	1,095,944,742
(i) Investments outside India	137,842,639	1,220,856,361	1,095,944,742
(ii) Investment in India	-	-	-
Total (B)	137,842,639	1,220,856,361	1,095,944,742
Less: Allowance for impairment (C)	-	-	-
Total Net (A-C)	137,842,639	1,220,856,361	1,095,944,742



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

13. Other financial assets

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(Unsecured, considered good)			
Security Deposits	37,670	35,422	-
Rental deposits	5,901,354	5,680,531	5,209,453
Deposits- others	412,377	409,344	132,979
Receivable from exchange /clearing house (net)	-	-	76,162,428
Margin placed with broker	543,797,992	1,578,424,533	1,726,152,716
Total	550,149,393	1,584,549,830	1,807,657,576



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

14. Property, plant and equipment

Description of Assets	Gross Block				Depreciation			Net Block	
	As at April 1, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	As at April 1, 2018	Charge for the year	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019
Office equipment	3,347,107	407,146	208,194	3,962,447	1,426,087	1,590,057	76,971	3,093,115	869,332
Leasehold improvements	8,137,522	-	516,361	8,653,883	4,206,260	4,224,171	223,452	8,653,883	-
Computers	9,931,620	2,500,584	604,474	13,036,678	3,420,829	4,883,168	174,342	8,478,339	4,558,339
Furniture and Fixtures	2,418,103	-	153,409	2,571,512	1,097,957	1,166,029	59,618	2,323,604	247,908
Total	23,834,352	2,907,730	1,482,438	28,224,520	10,151,133	11,863,425	534,383	22,548,941	5,675,579

Description of assets	Gross block				Depreciation			Net block	
	As at 1 April 2017	Additions	Deductions/ Adjustments	As at 31 March 2018	As at 01 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018
Office equipment	2,561,099	770,756	15,252	3,347,107	-	1,413,005	13,082	1,426,087	1,921,020
Leasehold improvements	7,441,475	666,304	29,743	8,137,522	-	4,167,673	38,587	4,206,260	3,931,262
Computer	7,125,760	2,757,642	48,218	9,931,620	-	3,389,447	31,382	3,420,829	6,510,791
Furniture and fixtures	2,055,072	353,246	9,785	2,418,103	-	1,087,885	10,072	1,097,957	1,320,146
Total	19,183,406	4,547,948	102,998	23,834,352	-	10,058,010	93,123	10,151,133	13,683,219



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

15. Other intangible assets

Description of Assets	Gross Block			Depreciation			Net Block	
	As at April 1, 2018	Additions	Deductions/ Adjustments	As at March 31, 2019	Charge for the year	Deductions/ Adjustments	As at March 31, 2019	As at March 31, 2019
Software	1,049,685	48,211	66,117	1,164,013	307,884	40,846	1,042,284	121,729
Total	1,049,685	48,211	66,117	1,164,013	307,884	40,846	1,042,284	121,729
Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2017	Additions	Deductions/ Adjustments	As at 31 March 2018	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018
Computer software	1,046,426	-	3,259	1,049,685	687,192	6,362	693,554	356,130
Total	1,046,426	-	3,259	1,049,685	687,192	6,362	693,554	356,130



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

16 Other non-financial assets

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(Unsecured, considered good)			
Prepaid expenses	1,621,111	9,622,785	18,465,807
Vendor Advances	3,784,166	822,085	765,122
Advances recoverable in cash or in kind or for value to be received	2,369,445	-	-
Others	25,657	12,797	-
Total	7,800,379	10,457,667	19,230,929



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

17. Borrowings (other than debt securities)

Particulars	At Amortised cost		
	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Secured			
Short term money market loan facility	-	-	648,570,328
Total (A)	-	-	648,570,328
Unsecured			
Loans from related parties			
Edelweiss Capital (Singapore) Pte Limited	41,216,987	989,547,036	439,103,732
Edelweiss Commodites Pte Limited	-	-	392,220,881
Total (B)	41,216,987	989,547,036	831,324,613
Total (A+B)	41,216,987	989,547,036	1,479,894,941
(i) Borrowings outside India	41,216,987	989,547,036	1,479,894,941
(ii) Borrowings in India	-	-	-
Total (C)	41,216,987	989,547,036	1,479,894,941

Short term money market loan facility

Short term money market loan facility is secured by way of guarantee from the Edelweiss Financial Services Limited, ultimate holding company. The bears interest at variable interest rate loan at 1% p.a over the bank's cost of funding.

Loans from related parties

(a) Loan from Edelweiss Capital (Singapore) Pte Limited is unsecured and repayable on demand. It bears bear interest at the average borrowing rate of the Company plus a mark-up of 0.50 percent

(b) Loan from Edelweiss Commodites Pte Limited is unsecured, interest free and repayable on demand.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian Rupees)

18 Other financial liabilities

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Accrued salaries and benefits	24,592,165	40,977,783	23,990,283
Payable to brokers	27,030,287	567,279,888	184,018,880
Provision for short sale	282,956,243	336,261,757	882,711,618
Total	334,578,695	944,519,428	1,090,720,781

19 Provisions

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Provision for employee benefits			
Gratuity	527,378	3,325,000	-
Compensated leave absences	1,426,950	1,192,737	775,037
Total	1,954,328	4,517,737	775,037

20 Other non-financial liabilities

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Withholding taxes and other taxes payable	1,066,363	970,032	374,197
Total	1,066,363	970,032	374,197



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

21 Equity share capital

		As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
a)	Issued, subscribed and paid up:						
	42,797,907 (Previous year: 42,797,907) ordinary shares of SGD 1 each, fully paid-up		2,063,307,500		2,063,307,500		2,063,307,500
			2,063,307,500		2,063,307,500		2,063,307,500
	(The entire share capital is held by Edelweiss Capital (Singapore) Pte. Limited , the holding company, which in turn is a wholly owned subsidiary of Edelweiss Financial Services Limited.)						
b)	Movement in share capital						
		As at 31 March 2019		31 March 2018		As at 1 April 2017	
		No of shares	Amount	No of shares	Amount	No of shares	Amount
	Outstanding at the beginning of the year	42,797,907	2,063,307,500	42,797,907	2,063,307,500	33,011,907	1,608,621,100
	Shares issued during the year	-	-	-	-	9,786,000	454,686,400
	Outstanding at the end of the year	42,797,907	2,063,307,500	42,797,907	2,063,307,500	42,797,907	2,063,307,500
c)	Terms/rights attached to equity shares						
	The Company has only one class of ordinary shares having a par value of SGD 1. Each holder of ordinary shares is entitled to one vote per share held. The Company declares and pays dividend in SGD.						
	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.						



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

22. Interest income

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost
Interest on loans given	-	95,621	-	1,714,986
Interest income from investments in FVOCI debt instrument	7,590,239	-	10,253,579	-
Other interest income	-	24,798,412	-	16,812,303
Total	7,590,239	24,894,033	10,253,579	18,527,289
		32,484,272		28,780,868



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

23 Net gain on fair value changes

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A.	Net gain /(loss) on financial instruments at fair value through profit or loss		
	On trading portfolio		
	Equity Instruments at FVTPL	(107,742,149)	86,532,808
B.	Others		
	Gain/(loss) on sale of debt FVOCI instruments	(10,340,957)	1,057,346
	Derivative gain / (loss) financial instruments at FVPTL	118,825,040	(250,674,134)
	Total Net gain/(loss) on fair value changes (A+B)	741,934	(163,083,980)
C.	Fair Value changes:		
	Below table gives break up of total net gain/(loss) on fair value changes :-		
	Realised	(48,505,416)	469,590,872
	Unrealised	49,247,350	(632,674,852)
	Total Net gain/(loss) on fair value changes	741,934	(163,083,980)

24 Other income

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Foreign exchange gain	-	43,813,509
	Miscellaneous income	37,372,407	5,798,827
	Total	37,372,407	49,612,336



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

25. Finance costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
On financial liabilities measured at amortised cost		
Borrowings (other than debt securities)	32,917,847	63,250,759
Interest expense - margin with brokers	23,122,489	60,829,161
Interest expense - others	4,484,804	5,273,760
Total	60,525,140	129,353,680

26. Employee cost

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries wages and Bonus	127,168,343	116,919,152
Contribution to provident and other funds	1,678,101	2,107,055
Expense on employee stock option scheme	(4,302,344)	665,742
Staff welfare expenses	5,044,116	1,486,620
Total	129,588,216	121,178,569



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

27 Other expenses

Particulars	For the year ended 31 March 2019	For the year ended March 31, 2018
Auditors' remuneration (refer note below)	1,747,588	1,340,213
Commission and brokerage	79,044,086	135,446,539
Communication	2,419,911	1,353,669
Computer expenses	24,347,387	26,333,865
Clearing and custodian charges	-	40,695
Electricity charges	1,109,720	827,350
Foreign exchange loss (net)	3,699,677	-
Insurance	69,270	63,877
Legal and professional fees	18,120,575	42,473,691
Membership and subscription	1,045,194	223,393
Office expenses	6,198,503	8,777,771
Postage and courier	449,619	467,221
Printing and stationery	20,801	24,170
Rates and taxes	8,839,445	2,509,383
Rent	13,821,043	9,393,282
Repairs and maintenance	813,081	-
ROC expenses	386,030	-
Market data services	49,192,345	28,663,550
Travelling and conveyance	2,407,158	2,485,171
Miscellaneous expenses	170	33,538
Total	213,731,603	260,457,378

Auditors' remuneration:

As Auditors		
Statutory audit of Company	1,747,588	1,340,213
	1,747,588	1,340,213



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

28. Income tax disclosures

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax	-	-
Adjustment in respect of current income tax of prior years	354,089	(12,277,961)
Deferred tax relating to origination and reversal of temporary differences	(5,938,522)	(985,467)
Deferred tax recognised on unused tax credit or unused tax losses	-	(90,609,389)
Deferred tax reversed on unused tax credit or unused tax losses	164,722,775	-
Total tax charge	159,138,342	(103,872,817)
Current tax	354,089	(12,277,961)
Deferred tax	158,784,253	(91,594,856)

28.1 Reconciliation of the total tax charge

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before tax as per financial statements	(346,578,689)	(532,848,226)
Tax rate (in percentage)	17.00%	17.00%
Income tax expense calculated based on this tax rate	(58,918,377)	(90,584,198)
Adjustment in respect of current income tax of prior years	354,089	(12,277,961)
Effect of non-deductible expenses:		
Penalties	244,097	-
Others	2,210,694	(1,010,658)
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised OR deferred tax assets on losses earlier recognised now considered not recoverable	215,247,838	-
Tax expense reported in statement of profit and loss	159,138,342	(103,872,817)



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

28. Income tax disclosures (continued)

28.2 Deferred tax

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

Particulars	As at 1 April 2018	Movement for the year (2018-19)			As at 31 March 2019
		Recognised in profit or loss	Others (foreign exchange movement)	Total movement	
Deferred taxes in relation to:					
Property, Plant and Equipment	(1,795,590)	5,937,963	(174,926)	5,763,037	3,967,447
Unused tax losses	153,303,987	(164,722,775)	11,418,788	(153,303,987)	-
Disallowances under section 15 of Singapore Tax Act	146,280	559	9,290	9,849	156,129
Total	151,654,677	(158,784,253)	11,253,152	(147,531,101)	4,123,576

Particulars	As at 1 April 2017	Movement for the year (2017-18)			As at 31 March 2017
		Recognised in profit or loss	Others (foreign exchange movement)	Total movement	
Deferred taxes in relation to:					
Property, Plant and Equipment	(2,767,304)	971,491	223	971,714	(1,795,590)
Unused tax losses	61,660,256	90,609,388	1,034,342	91,643,731	153,303,987
Disallowances under section 15 of Singapore Tax Act	131,756	13,976	547	14,524	146,280
Total	59,024,708	91,594,855	1,035,113	92,629,969	151,654,677

Break-up of recognition of current tax	For the year ended 31 March 2019	For the year ended 31 March 2018
In P&L	354,089	(12,277,961)
In OCI	-	-
Directly in equity	-	-
Total	354,089	(12,277,961)

28.3 Details of temporary differences where deferred tax assets have not been recognised in the balance sheet

Financial year to which the loss relates to	Unused tax losses					
	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	Amount	Expiry year - financial year	Amount	Expiry year - financial year	Amount	Expiry year - financial year
FY 2016-17	390,275,957	No Expiry period	-	-	-	-
FY 2017-18	553,195,193	No Expiry period	-	-	-	-
FY 2018-19	317,317,528	No Expiry period	-	-	-	-
Total	1,260,788,678		-	-	-	-



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

29. Earnings per share

Particulars		For the year ended 31 March 2019	For the year ended 31 March 2018
a)	Net (loss)/profit attributable to ordinary shareholders (as per Statement of profit and loss)	(505,717,031)	(428,975,409)
b)	Calculation of weighted average number of ordinary shares of SGD 1/- each:		
	– Number of shares at the beginning of the year	42,797,907	42,797,907
	– Number of shares issued during the year	-	-
	Total number of ordinary shares outstanding at the end of the year	42,797,907	42,797,907
	Weighted average number of ordinary shares outstanding during the year (based on the date of issue of shares)	42,797,907	42,797,907
c)	Basic and diluted earnings per share (in rupees) (a/b)	(11.82)	(10.02)

30. Segmental information

The Company has operated only in one business segment during the year viz. trading and investments. 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.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

31. Defined benefit plan

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	133,212	-
Interest on defined benefit obligation	247,394	-
Expected return on plan assets	-	-
Past service cost	-	-
Gratuity cost charged to profit or loss	380,606	-
Actuarial loss from changes in financial assumption	19,030	-
Actuarial gain from experience over past year	(3,311,277)	-
Remeasurement gain in other comprehensive income	(3,292,247)	-
Total	(2,911,640)	-

Changes in the defined benefit obligation

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Liability at the beginning of the year	3,325,000	-	-
Transfer in	18,835	3,325,000	-
Interest cost	247,394	-	-
Current service cost	133,212	-	-
Benefits paid	(57,091)	-	-
Past service cost	-	-	-
Actuarial (gain)/loss	(3,292,247)	-	-
Exchange Rate Adjustment	152,274	-	-
Liability at the end of the year	527,378	3,325,000	-

Experience adjustment:

Particulars	2019	2018	2017	2016	2015
On plan liabilities: (gain) / loss	(3,311,277)	-	-	-	-
On plan assets: gain / (loss)	-	-	-	-	-

Principal actuarial assumptions at the balance sheet date

Particulars	2019	2018
Discount rate	3.20%	5.30%
Salary escalation	3.20%	5.00%
Employees attrition rate	13% to 25%	13% to 25%
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2006-08 (Ultimate)
Interest rate on Net DBO	5.30%	4.80%
Expected average remaining working lives of employees	4 Years	4 Years

Sensitivity Analysis for 2019

Assumptions	Discount rate		Future salary increases	
	1% Increase	1% decrease	1% Increase	1% decrease
Impact on defined benefit obligation	(18,835)	18,835	18,835	(18,835)



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

32. 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. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products

Particulars	As at 31 March 2019			As at 31 March 2018			As at 1 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	433,570,769	-	433,570,769	229,341,988	-	229,341,988	364,189,614	-	364,189,614
Derivative financial instruments	169,251,987	-	169,251,987	228,214,925	-	228,214,925	10,332,482	-	10,332,482
Stock-in-trade	420,791,209	-	420,791,209	258,695,107	-	258,695,107	1,081,163,307	-	1,081,163,307
Trade receivables	29,444,652	-	29,444,652	5,712,142	-	5,712,142	-	-	-
Loans	-	-	-	-	-	-	334,624,065	-	334,624,065
Investments	137,842,639	-	137,842,639	1,220,856,361	-	1,220,856,361	1,095,944,742	-	1,095,944,742
Other financial assets	544,248,039	5,901,354	550,149,393	1,584,436,355	113,475	1,584,549,830	1,802,448,123	5,209,453	1,807,657,576
	1,735,149,295	5,901,354	1,741,050,649	3,527,256,878	113,475	3,527,370,353	4,688,702,333	5,209,453	4,693,911,786
Non-financial assets									
Current tax assets (net)	-	-	-	-	-	-	2,207,156	-	2,207,156
Deferred tax assets (net)	-	4,123,576	4,123,576	-	151,654,677	151,654,677	-	59,024,708	59,024,708
Property, plant and equipment	-	5,675,579	5,675,579	-	13,683,219	13,683,219	-	19,183,406	19,183,406
Other intangible assets	-	121,729	121,729	-	356,130	356,130	-	1,046,426	1,046,426
Other non-financial assets	7,800,379	-	7,800,379	10,457,667	-	10,457,667	19,230,929	-	19,230,929
	7,800,379	9,920,884	17,721,263	10,457,667	165,694,026	176,151,693	21,438,085	79,254,540	100,692,625
Total assets (A)	1,742,949,674	15,822,238	1,758,771,912	3,537,714,545	165,807,501	3,703,522,046	4,710,140,418	84,463,993	4,794,604,411
Financial liabilities									
Trade payables	17,650,045	-	17,650,045	23,356,216	-	23,356,216	49,158,339	-	49,158,339
Borrowing (other than debt securities)	41,216,987	-	41,216,987	989,547,036	-	989,547,036	1,479,894,941	-	1,479,894,941
Other financial liabilities	334,578,695	-	334,578,695	944,519,428	-	944,519,428	1,090,720,781	-	1,090,720,781
	393,445,727	-	393,445,727	1,957,422,680	-	1,957,422,680	2,619,774,061	-	2,619,774,061
Non-financial liabilities									
Provisions	247,242	1,707,086	1,954,328	785,818	3,731,919	4,517,737	129,946	645,091	775,037
Other non-financial liabilities	1,066,363	-	1,066,363	970,032	-	970,032	374,197	-	374,197
	1,313,605	1,707,086	3,020,691	1,755,850	3,731,919	5,487,769	504,143	645,091	1,149,234
Total liabilities (B)	394,759,332	1,707,086	396,466,418	1,959,178,530	3,731,919	1,962,910,449	2,620,278,204	645,091	2,620,923,295
Net (A-B)	1,348,190,342	14,115,152	1,362,305,494	1,578,536,015	162,075,582	1,740,611,597	2,089,862,214	83,818,902	2,173,681,116



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

33. Change in liabilities arising from financing activities

Particulars	1 April 2018	Cash flows	Changes in fair values	Exchange differences	Others*	31 March 2019
Borrowings (other than debt securities)	989,547,036	(981,247,896)	-	-	32,917,847	41,216,987
Total liabilities from financing activities	989,547,036	(981,247,896)	-	-	32,917,847	41,216,987
Particulars	1 April 2017	Cash flows	Changes in fair values	Exchange differences	Others*	31 March 2018
Borrowings (other than debt securities)	1,479,894,941	(553,598,663)	-	-	63,250,758	989,547,036
Total liabilities from financing activities	1,479,894,941	(553,598,663)	-	-	63,250,758	989,547,036

* Includes effect of interest charge for the year



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

34. Contingent liabilities and commitments

34.1 Legal claims

There are no legal claim outstanding against the company as at 31 March 2019 (2018: Nil)

34.2 Operating lease commitments

The company has taken a premise on operating lease. Gross rental expenses (net of reimbursements) for the year 31 March 2019 aggregated to Rs. 13,821,043 (2018: Rs. 9,393,282) which has been included under the head other expenses - Rent in the statement of profit and loss

Details of futures minimum lease payments for the non-cancellable operatings lease are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Within one year	19,967,928	16,986,585
After one year but not more than five years	37,618,151	-
More than five years	-	-
Total	57,586,079	16,986,585

34.3 Contingent liabilities

The company has Rs. Nil (2018: Rs Nil) contingent liabilities as at the balance sheet date



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

35. Related party disclosures

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

Edelweiss Capital (Singapore) Pte Limited	Holding company
Edelweiss Financial Services Limited	Ultimated holding company

(B) Names of fellow subsidiaries with whom transactions have taken place during the year

Aster Commodities DMCC
Edelweiss Alternative Assets Advisors Pte Limited
EC Global Limited
Edelweiss Investment Advisors Pte Limited
Edelweiss Financial Services Inc
Edelweiss Rural & Corporate Services Limited (*)
Edelweiss Commodities Pte Limited (Upto 5 December 2017)

(C) Names of key managerial personnel

Navin Amarnani (upto 25 September 2018)
Sahil Joshi (upto 13 August 2018)
Arun Singhal (upto 8 January 2019)
Sagar Anand
Rahul R. Kumar (wef 13 August 2018)
Ashish Daima (wef 8 January 2019)

(*) Edel Commodities Limited was merged into EFSL Comtrade Limited vide Order of National Company Law Tribunal at Hyderabad. Further With effect from the Appointed Date i.e. 01 August 2018, EFSL Comtrade Limited and Edelweiss Business Services 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 International (Singapore) Pte. Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

35. Related party disclosures (continued)

(D) Transactions and balances with related parties :

Sr. No.	Nature of transaction	Related party name	31 March 2019	31 March 2018
(I)	Current account transactions during the year			
	Short term loans taken from (refer note 1 below)	Edelweiss Capital (Singapore) Pte. Limited	102,069,619	1,254,270,896
		Aster Commodities DMCC	-	486,577,926
		EC Global Limited	-	1,662,768
		Edelweiss Commodities Pte. Limited	-	155,640,489
	Short term loans repaid to (refer note 1 below)	Edelweiss Capital (Singapore) Pte. Limited	1,117,443,246	715,445,114
		Aster Commodities DMCC	-	486,577,926
		EC Global Limited	-	1,662,768
		Edelweiss Commodities Pte. Limited	-	545,495,004
	Short term loans given to (refer note 1 below)	EC Global Limited	-	332,537,277
		Edelweiss Capital (Singapore) Pte. Limited	45,325,598	-
	Short term loans repaid by (refer note 1 below)	EC Global Limited	-	332,537,277
		Edelweiss Commodities Pte. Limited	-	-
		Edelweiss Capital (Singapore) Pte. Limited	45,325,598	-
	Interest paid on loans taken from	Edelweiss Capital (Singapore) Pte. Limited	27,891,785	62,334,867
		EC Global Limited	-	9,540
	Interest received on loans given to	EC Global Limited	-	1,714,986
		Edelweiss Capital (Singapore) Pte. Limited	95,621	-
	Professional charges paid to	Edel Commodities Limited	-	3,222,370
		Aster Commodities DMCC	-	28,774,801
		Edelweiss Financial Services Inc	4,906,968	5,656,613
		Edelweiss Rural & Corporate Services Limited	3,675,456	-
	Office expenses paid to	Edelweiss Rural & Corporate Services Limited	5,569,026	8,361,987
	Guarantee commission paid to	Edelweiss Financial Services Limited	1,677,333	2,514,480
	Remuneration paid to	Navin Jashan Amarnani	15,443,854	21,143,007
		Sahil Joshi	6,049,224	8,219,757
		Sagar Anand	16,214,911	11,877,797
		Arun Singhal	13,899,105	-
		Rahul R. Kumar	3,579,962	-
	Cost reimbursement received from	Edelweiss Alternative Asset Advisors Pte Limited	6,200,075	9,129,982
		Edelweiss Commodities Pte Limited	-	218,103
		Edelweiss Investment Advisors Private Limited	3,474,256	1,962,387
		EC Global Limited	29,730,382	2,033,573



Edelweiss International (Singapore) Pte. Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency: Indian rupees)

35. Related party disclosures (continued)

(D) Transactions and balances with related parties :

Sr. No.	Nature of transaction	Related party name	31 March 2019	31 March 2018
(II)	Balances with related parties			
	Borrowings (other than debt securities) from	Edelweiss Capital (Singapore) Pte. Limited	41,093,089	983,629,071
	Trade payables to	Edelweiss Financial Services Limited	1,660,111	2,537,761
		Edel Commodities Limited	-	3,252,205
		Aster Commodities DMCC	-	1,356,646
		Edelweiss Financial Services Inc	4,856,586	5,708,986
		Edelweiss Rural & Corporate Services Limited	6,145,109	3,910,256
				-
	Interest accrued but not due on borrowings from	Edelweiss Capital (Singapore) Pte. Limited	123,898	5,917,965
	Trade receivables from	Aster Commodities DMCC	60,000	3,659,740
		EC Global Limited	29,425,817	2,052,402
	Other receivables from	Edelweiss Alternative Asset Advisors Pte Limited	16,250	10,536
		Edelweiss Investment Advisors Private Limited	9,411	2,261
(IV)	Others			
	Corporate guarantee given by	Edelweiss Financial Services Limited	1,383,426,000	1,300,882,000
		Edelweiss Capital (Singapore) Pte. Limited	345,856,500	325,220,500

Note:

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



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

36. Capital management

The Company's objective when managing capital is to ensure that the Company is adequately capitalised. This is achieved by obtaining funding from its holding corporation when necessary.

The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs.

The Company is not subject to externally imposed capital requirements.

37. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

38. Fair values of measurements

38.1 Valuation principles

Fair value 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 a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note 4.8.

38.2 Assets and liabilities by fair value hierarchy

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

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	5,100,830	-	-	5,100,830
OTC derivatives	-	187,829,685	-	187,829,685
Total derivative financial instruments - A	5,100,830	187,829,685	-	192,930,515
Financial Assets held for trading				
Equity instruments	420,791,209	-	-	420,791,209
Total Financial assets held for trading - B	420,791,209	-	-	420,791,209
Investments				
Government debt securities	137,842,639	-	-	137,842,639
Total investments measured at fair value - C	137,842,639	-	-	137,842,639
Total (A+B+C)	563,734,678	187,829,685	-	751,564,363

Particulars	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value on a recurring basis -				
Derivative financial instruments				
Exchange-traded derivatives	37,352,225	-	-	37,352,225
OTC derivatives	-	166,375,652	-	166,375,652
Total derivative financial instruments - A	37,352,225	166,375,652	-	203,727,877
Financial liabilities designated at FVTPL				
Provision for short sale	282,956,243	-	-	282,956,243
Total Financial liabilities designated at FVTPL - B	282,956,243	-	-	282,956,243
Total (A+B)	320,308,468	166,375,652	-	486,684,120



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38. Fair values of measurements (continued)

38.2 Assets and liabilities by fair value hierarchy (continued)

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

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	66,566,197	-	-	66,566,197
OTC derivatives	-	605,774,249	-	605,774,249
Total derivative financial instruments - A	66,566,197	605,774,249	-	672,340,446
Financial Assets held for trading				
Equity instruments	258,695,107	-	-	258,695,107
Total Financial assets held for trading - B	258,695,107	-	-	258,695,107
Investments				
Government debt securities	1,220,856,361	-	-	1,220,856,361
Total investments measured at fair value - C	1,220,856,361	-	-	1,220,856,361
Total (A+B+C)	1,546,117,665	605,774,249	-	2,151,891,914

Particulars	As at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value on a recurring basis -				
Derivative financial instruments				
Exchange-traded derivatives	100,404,674	-	-	100,404,674
OTC derivatives	-	1,307,637,931	-	1,307,637,931
Total derivative financial instruments - A	100,404,674	1,307,637,931	-	1,408,042,605
Financial liabilities designated at FVTPL				
Provision for short sale	336,261,757	-	-	336,261,757
Total Financial liabilities designated at FVTPL - B	336,261,757	-	-	336,261,757
Total (A+B)	436,666,431	1,307,637,931	-	1,744,304,362



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38. Fair values of measurements (continued)

38.2 Assets and liabilities by fair value hierarchy (continued)

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

Particulars	As at 1 April 2017			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Exchange-traded derivatives	119,226,579	-	-	119,226,579
OTC derivatives	-	644,778,476	-	644,778,476
Total derivative financial instruments - A	119,226,579	644,778,476	-	764,005,055
Financial Assets held for trading				
Equity instruments	4,103,872,194	-	-	4,103,872,194
Total Financial assets held for trading - B	4,103,872,194	-	-	4,103,872,194
Investments				
Government debt securities	1,095,944,742	-	-	1,095,944,742
Total investments measured at fair value - C	1,095,944,742	-	-	1,095,944,742
Total (A+B+C)	5,319,043,515	644,778,476	-	5,963,821,991

Particulars	As at 1 April 2017			Total
	Level 1	Level 2	Level 3	
Liabilities measured at fair value on a recurring basis -				
Derivative financial instruments				
Exchange-traded derivatives	118,775,173	-	-	118,775,173
OTC derivatives	-	1,075,936,327	-	1,075,936,327
Total derivative financial instruments - A	118,775,173	1,075,936,327	-	1,194,711,500
Financial liabilities designated at FVTPL				
Provision for short sale	882,711,618	-	-	882,711,618
Total Financial liabilities designated at FVTPL - B	882,711,618	-	-	882,711,618
Total (A+B)	1,001,486,791	1,075,936,327	-	2,077,423,118



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38. Fair values of measurements (continued)

38.3 Financial assets and financial liabilities are measured at fair value using the below valuation techniques

Financial Assets/Financial Liabilities	Fair Value hierarchy	Valuation technique and key inputs
Equity - futures & options	Level 1	Quoted prices in an active Market
Index - futures & options	Level 1	
Currency - futures	Level 1	
Interest rate futures	Level 1	
Debt securities & treasury bills	Level 1	
Equity instruments	Level 1	
Currency - forward and spot	Level 2	Quoted price from broker
Interest rate swaps	Level 2	
Total return swaps	Level 2	
Variance swaps	Level 2	

38.4 Transfer between Level 1 Level 2 and Level 3

There were no transfers between different levels during the year.

38.5 Financial instruments not measured at fair value

No disclosure has been provided since the fair value of the financial assets and liabilities not measured at fair value is approximately their carrying values due to the short term nature of these balances.

39. Risk Management

39.1 Introduction and risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.



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39.2 Analysis of risk concentration

The following table shows the risk concentration by industry for the components of the balance sheet.

Industry analysis - Risk concentration for 31 March 2019

Particulars	Financial services	Government	Construction /Real estate	Oil & gas	Services	Mining	Manufacturing	Energy and chemical company	Others	Total
Financial assets	433,570,769	-	-	-	-	-	-	-	-	433,570,769
Cash and cash equivalent	169,251,987	-	-	-	-	-	-	-	-	169,251,987
Derivative financial instruments	98,639,049	-	-	12,849,261	65,193,155	37,815,950	174,728,864	31,564,930	-	420,791,209
Stock in trade	-	-	-	-	-	-	-	-	-	-
Debt instruments at fair value through OCI	-	137,842,639	-	-	-	-	-	-	-	137,842,639
Trade and other receivables	29,444,652	-	-	-	-	-	-	-	-	29,444,652
Loans	-	-	-	-	-	-	-	-	-	-
Other financial assets	543,797,992	-	-	-	-	-	-	-	6,351,401	550,149,393
Total	1,274,704,449	137,842,639	-	12,849,261	65,193,155	37,815,950	174,728,864	31,564,930	6,351,401	1,741,050,649

Industry analysis - Risk concentration for 31 March 2018

Particulars	Financial services	Government	Construction /Real estate	Oil & gas	Services	Mining	Manufacturing	Energy and chemical company	Others	Total
Financial assets	229,341,988	-	-	-	-	-	-	-	-	229,341,988
Cash and cash equivalent	228,214,925	-	-	-	-	-	-	-	-	228,214,925
Derivative financial instruments	20,602,979	-	-	28,742,912	5,665,081	8,669,728	181,423,525	13,590,882	-	258,695,107
Stock in trade	-	-	-	-	-	-	-	-	-	-
Debt instruments at fair value through OCI	-	1,220,856,361	-	-	-	-	-	-	-	1,220,856,361
Trade and other receivables	5,712,142	-	-	-	-	-	-	-	-	5,712,142
Other financial assets	1,584,549,830	-	-	-	-	-	-	-	6,125,297	1,590,675,127
Total	2,068,421,864	1,220,856,361	-	28,742,912	5,665,081	8,669,728	181,423,525	13,590,882	6,125,297	3,533,495,650

Industry analysis - Risk concentration for 01 April 2017

Particulars	Financial services	Government	Construction /Real estate	Oil & gas	Services	Mining	Manufacturing	Energy and chemical company	Others	Total
Financial assets	364,189,614	-	-	-	-	-	-	-	-	364,189,614
Cash and cash equivalent	10,332,482	-	-	-	-	-	-	-	-	10,332,482
Derivative financial instruments	1,599,617,832	-	-	318,092,575	1,234,115,095	-	292,185,889	43,107,019	-	4,103,872,194
Stock in trade (*)	-	-	-	-	-	-	-	-	-	-
Debt instruments at fair value through OCI	-	1,095,944,742	-	-	-	-	-	-	-	1,095,944,742
Loans	334,624,065	-	-	-	-	-	-	-	-	334,624,065
Other financial assets	1,807,657,576	-	-	-	-	-	-	-	5,342,432	1,813,000,008
Total	4,116,421,569	1,095,944,742	616,753,784	318,092,575	1,234,115,095	-	292,185,889	43,107,019	5,342,432	7,721,963,105

(*) Represent gross amount before offsetting loan of Rs.3,022,708,887 from prime broker



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39.3 Collateral held and other credit enhancements

The tables on the following pages show the maximum exposure to credit risk by class of financial asset. The carrying amounts of financial assets represent the Company's maximum exposure to credit risk, before taking into account any collateral held

Particulars	Maximum exposure to credit risk		
	31 March 2019	31 March 2018	1 April 2017
Financial assets			
Cash and cash equivalent	433,570,769	229,341,988	364,189,614
Loans	-	-	334,624,065
Trade receivables	29,444,652	5,712,142	-
Derivative financial instruments	169,251,987	228,214,925	10,332,482
Margin with brokers	543,797,992	1,578,424,533	1,802,315,144
Other assets (*)	6,351,401	6,138,094	5,342,432
Debt instruments at fair value through OCI	137,842,639	1,220,856,361	1,095,944,742
Total	1,320,259,440	3,268,688,043	3,612,748,479

(*) excludes prepaid expenses

The Company does not hold any collateral in respect of above financial assets

The Company's cash and cash equivalents are held with reputed and regulated financial institutions. Loans are given to related parties

Margin held with brokers and exchanges represent initial and maintenance margin accounts, and other cash collateral for derivative transactions. The Company transacts with various brokers of acceptable credit ratings.

Debt instruments at fair value through OCI comprises of investment in US Treasury bonds



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39.4 Liquidity and risk management

39.4.1 Analysis of non-derivative 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	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Trade payables	-	17,650,045	-	-	-	-	17,650,045
Borrowings (other than debt securities)	41,216,987	-	-	-	-	-	41,216,987
Other financial liabilities	-	334,578,695	-	-	-	-	334,578,695
Total undiscounted non-derivative financial liabilities	41,216,987	352,228,740	-	-	-	-	393,445,727

As at 31 March 2018	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Trade payables	-	23,356,216	-	-	-	-	23,356,216
Borrowings (other than debt securities)	989,547,036	-	-	-	-	-	989,547,036
Other financial liabilities	-	944,519,428	-	-	-	-	944,519,428
Total undiscounted non-derivative financial liabilities	989,547,036	967,875,644	-	-	-	-	1,957,422,680

As at 1 April 2017	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Trade payables	-	49,158,339	-	-	-	-	49,158,339
Borrowings (other than debt securities)	831,324,613	648,570,328	-	-	-	-	1,479,894,941
Other financial liabilities	-	1,090,720,781	-	-	-	-	1,090,720,781
Total undiscounted non-derivative financial liabilities	831,324,613	1,788,449,448	-	-	-	-	2,619,774,061



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39.4 Liquidity and risk management (continued)

39.4.2 Analysis of non-derivative financial assets by remaining contractual maturities

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

As at 31 March 2019	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Cash and cash equivalent	433,570,769	-	-	-	-	-	433,570,769
Stock in trade	-	420,791,209	-	-	-	-	420,791,209
Trade receivables	-	29,444,652	-	-	-	-	29,444,652
Investments at FVOCI	-	-	-	137,842,639	-	-	137,842,639
Other financial assets	-	724,297,388	-	-	5,901,354	-	730,198,742
Total	433,570,769	1,174,533,249	-	137,842,639	5,901,354	-	1,751,848,011
As at 31 March 2018	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Cash and cash equivalent	229,341,988	-	-	-	-	-	229,341,988
Stock in trade	-	258,695,107	-	-	-	-	258,695,107
Trade receivables	-	5,712,142	-	-	-	-	5,712,142
Investments at FVOCI	-	-	-	1,220,856,361	-	-	1,220,856,361
Other financial assets	-	2,548,353,439	-	-	113,475	-	2,548,466,914
Total	229,341,988	2,812,760,688	-	1,220,856,361	113,475	-	4,263,072,512
As at 1 April 2017	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
Cash and cash equivalent	364,189,614	-	-	-	-	-	364,189,614
Stock in trade	-	1,081,163,307	-	-	-	-	1,081,163,307
Loans	334,624,065	-	-	-	-	-	334,624,065
Investments at FVOCI	-	1,095,944,742	-	-	-	-	1,095,944,742
Other financial assets	-	2,243,487,052	-	-	5,209,453	-	2,248,696,505
Total	698,813,679	4,420,595,101	-	-	5,209,453	-	5,124,618,233



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39.4 Liquidity and risk management (continued)

39.4.3 Maturity analysis for derivatives

All derivatives which are entered into for trading purposes are shown in the earliest time band. With respect to other derivatives, the remaining contractual maturity information has

	On demand	Less than 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years	Total
As at 31 March 2019							
Net settled derivatives entered into for trading purposes	-	(10,797,362)	-	-	-	-	(10,797,362)
Total	-	(10,797,362)	-	-	-	-	(10,797,362)
As at 31 March 2018							
Net settled derivatives entered into for trading purposes	-	(735,702,159)	-	-	-	-	(735,702,159)
Total	-	(735,702,159)	-	-	-	-	(735,702,159)
As at 1 April 2017							
Net settled derivatives entered into for trading purposes	-	(430,706,447)	-	-	-	-	(430,706,447)
Total	-	(430,706,447)	-	-	-	-	(430,706,447)



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39.5 Market risk

Market the risk that the 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 and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses.

39.5.1 Total market risk exposure

Particulars	31 March 2019			31 March 2018			01 April 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	433,570,769	-	433,570,769	229,341,988	-	229,341,988	364,189,614	-	364,189,614
Derivative financial instruments	169,251,987	169,251,987	-	228,214,925	228,214,925	-	10,332,482	10,332,482	-
Stock-in-trade	420,791,209	420,791,209	-	258,695,107	258,695,107	-	1,081,163,307	1,081,163,307	-
Loans	-	-	-	-	-	-	334,624,065	-	334,624,065
Trade receivables	29,444,652	-	29,444,652	5,712,142	-	5,712,142	-	-	-
Financial investments- FVOCI	137,842,639	137,842,639	-	1,220,856,361	1,220,856,361	-	1,095,944,742	1,095,944,742	-
Other financial assets	550,149,393	543,797,992	6,351,401	1,584,549,830	1,578,424,533	6,125,297	1,807,657,576	1,802,315,144	5,342,432
Total	1,741,050,649	1,271,683,827	469,366,822	3,527,370,353	3,286,190,926	241,179,427	4,693,911,786	3,989,755,675	704,156,111
Liability									
Borrowings (other than Debt Securities)	41,216,987	-	41,216,987	989,547,036	-	989,547,036	1,479,894,941	-	1,479,894,941
Trade payables	17,650,045	-	17,650,045	23,356,216	-	23,356,216	49,158,339	-	49,158,339
Other liabilities	334,578,695	282,956,243	51,622,452	944,519,428	336,261,757	608,257,671	1,090,720,782	882,711,618	208,009,164
Total	393,445,727	282,956,243	110,489,484	1,957,422,680	336,261,757	1,621,160,923	2,619,774,062	882,711,618	1,737,062,444



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39.5.2 Sensitivity analysis

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

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
United States Dollars	25	1,149,235	-	25	(1,149,235)	-

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
United States Dollars	25	8,156,716	-	25	(8,156,716)	-

(ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss and equity.

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
United States Dollars	5	44,971,652	-	5	(44,971,652)	-
Singapore Dollar	5	(334,076)	-	5	334,076	-
United Arab Emirates Dirham	5	(385,942)	-	5	385,942	-
Hong Kong Dollar	5	(1,245,652)	-	5	1,245,652	-
Japanese Yen	5	1,911,449	-	5	(1,911,449)	-
Korean Won	5	11,217,944	-	5	(11,217,944)	-
Australian Dollar	5	314,368	-	5	(314,368)	-
Great Britain Pound	5	(13,893)	-	5	13,893	-
European currency	5	54	-	5	(54)	-

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
United States Dollars	5	(318,314,890)	-	5	318,314,890	-
Singapore Dollar	5	(9,015,372)	-	5	9,015,372	-
Great Britain Pound	5	(2,016)	-	5	2,016	-
Korean Won	5	9,404,076	-	5	(9,404,076)	-
Hong Kong Dollar	5	(963,628)	-	5	963,628	-
Australian Dollar	5	(144,203)	-	5	144,203	-
Taiwan Dollar	5	(112,645,714)	-	5	112,645,714	-
Japanese Yen	5	(4,779,766)	-	5	4,779,766	-
European currency	5	65	-	5	(65)	-
United Arab Emirates Dirham	5	(460,122)	-	5	460,122	-



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39.5.2 Sensitivity analysis (continued)

(iii) Equity price risk

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

Impact on	2018-19					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	(6,376,072)	-	5	6,376,072	-
Stock in trade (net of provision for short sale)	5	6,891,748	-	5	(6,891,748)	-

Impact on	2017-18					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	202,321,811	-	5	(202,321,811)	-
Stock in trade (net of provision for short sale)	5	(3,878,320)	-	5	3,878,320	-

(iv) Index price risk

Index price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of equity indices.

Impact on	2018-19					
	Increase in index price (%)	Effect on profit before tax	Effect on Equity	Decrease in index price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	(3,548,075)	-	5	3,548,075	-

Impact on	2017-18					
	Increase in index price (%)	Effect on profit before tax	Effect on Equity	Decrease in index price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	(256,880,420)	-	5	256,880,420	-

(iv) Other price risk

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

Impact on	2018-19					
	Increase in price (%)	Effect on profit before tax	Effect on Equity	Decrease in price (%)	Effect on profit before tax	Effect on Equity
Debt instruments at fair value through OCI	5	-	6,892,132	5	-	(6,892,132)

Impact on	2017-18					
	Increase in price (%)	Effect on profit before tax	Effect on Equity	Decrease in price (%)	Effect on profit before tax	Effect on Equity
Debt instruments at fair value through OCI	5	-	61,042,818	5	-	(61,042,818)



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39.6 Financial assets available to support future funding

Following table sets out availability of financial assets to support funding

Particulars	31 March 2019				Total carrying amount
	Encumbered		Unencumbered		
	Pledge as collateral	Others (1)	Available as collateral	Others (2)	
Cash and cash equivalent	-	-	-	433,570,769	433,570,769
Stock in trade	420,791,209	-	-	-	420,791,209
Trade receivables	-	-	29,444,652	-	29,444,652
Derivative assets	-	-	-	169,251,987	169,251,987
Other financial assets	543,797,992	-	-	6,351,401	550,149,393
Investments	137,842,639	-	-	-	137,842,639
Property, Plant and Equipment	-	-	-	5,675,579	5,675,579
Total assets	1,102,431,840	-	29,444,652	614,849,736	1,746,726,228

Particulars	31 March 2018				Total carrying amount
	Encumbered		Unencumbered		
	Pledge as collateral	Others (1)	Available as collateral	Others (2)	
Cash and cash equivalent	-	-	-	229,341,988	229,341,988
Stock in trade	258,695,107	-	-	-	258,695,107
Trade receivables	-	-	5,712,142	-	5,712,142
Derivative assets	-	-	-	228,214,925	228,214,925
Other financial assets	1,578,424,533	-	-	6,125,297	1,584,549,830
Investments	1,220,856,361	-	-	-	1,220,856,361
Property, Plant and Equipment	-	-	-	13,683,219	13,683,219
Total assets	3,057,976,001	-	5,712,142	477,365,429	3,541,053,572

Particulars	1 April 2017				Total carrying amount
	Encumbered		Unencumbered		
	Pledge as collateral	Others (1)	Available as collateral	Others (2)	
Cash and cash equivalent	-	-	-	364,189,614	364,189,614
Stock in trade	4,103,872,194	-	-	-	4,103,872,194
Derivative assets	-	-	-	10,332,482	10,332,482
Loans	-	-	-	334,624,065	334,624,065
Other financial assets	1,802,315,144	-	-	5,342,432	1,807,657,576
Investments	1,095,944,742	-	-	-	1,095,944,742
Property, Plant and Equipment	-	-	-	19,183,406	19,183,406
Total assets	7,002,132,080	-	-	733,671,999	7,735,804,079

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

2. 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 International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

40. First-time adoption of IND AS

40.1 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 Group as detailed below.

40.2 Exemption applied

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).

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.

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

The Company has elected to continue with the carrying value of all of its plant and equipment, investment property, and intangible assets recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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.

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.

Share-based payments

The Company has applied the requirements of Ind AS 102 Share-based payment to equity instruments that are invested as of the transition to Ind AS (1 April 2017).



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

40. First-time adoption of IND AS (continued)

40.3 Reconciliation of profit for the year ended 31 March 2018

Particulars	Year Ended March 31, 2018
Net profit after tax as reported under Indian GAAP	(375,975,612)
Ind AS adjustments increasing / (decreasing) net profit as reported under Indian GAAP:	
Fair valuation of assets and liabilities	(52,334,055)
ESOP fair value charge	(665,742)
Net profit as per Ind AS	(428,975,409)
Other Comprehensive Income after tax as per Ind AS	(4,759,852)
Total Comprehensive Income as per Ind AS	(433,735,261)

40.4 Reconciliation of equity

Particulars	As at March 31, 2018	As at April 01, 2017
Shareholder's equity as reported under Indian GAAP	1,735,480,793	2,108,255,482
Ind AS adjustments increasing / (decreasing) networth as reported under Indian GAAP:		
Fair valuation for assets and liabilities	5,130,804	65,425,634
Shareholder's equity as per Ind AS	1,740,611,597	2,173,681,116



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

40. First-time adoption of IND AS (continued)

Footnotes to the reconciliation of equity as at 1 April 2017 and 31 March 2018 and profit or loss for the year ended 31 March 2018

FVOCI financial assets

Under Indian GAAP, the Company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments.

Under Ind AS, the Company has designated such investments as FVOCI investments. Ind AS requires FVOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the available for sale reserve.

Under Indian GAAP, the Group accounted for long term investments in debt securities as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated certain investments as FVOCI debt investments. Ind AS requires FVOCI to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and amortised cost as at the date of transition has been recognised as a separate component of equity, in the available for sale reserve. The difference between amortised cost and the Indian GAAP carrying amount has been recognised in retained earnings.

Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Other comprehensive income

Under Indian GAAP, the Group 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.



Edelweiss International (Singapore) Pte Limited

Notes to the financial statements for the year ended 31 March 2019

(Currency : Indian rupees)

40. First-time adoption of IND AS (continued)

Footnotes to the reconciliation of equity as at 1 April 2017 and 31 March 2018 and profit or loss for the year ended 31 March 2018 (continued)

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



R. P. Soni

Partner

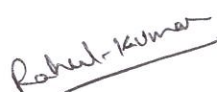
Membership No.: 104796

Mumbai

9 May 2019



For and on behalf of the Board of Directors



Rahul R. Kumar

Director



Sagar Anand

Director

9 May 2019