

Edelweiss Agri Value Chain Limited

*(Formerly known as Edelweiss Integrated Commodity
Management Limited)*

Financial statements
together with the
Independent Auditor's Report
for the year ended 31 March 2016

Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Financial statements together with the independent Auditor's Report
for the year ended 31 March 2016

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B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Edelweiss Agri Value Chain Limited

(formerly known as Edelweiss Integrated Commodity Management Limited)

Report on the financial statements

We have audited the accompanying financial statements of Edelweiss Agri Value Chain Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



Independent Auditor's Report

Edelweiss Agri Value Chain Limited

(formerly known as Edelweiss Integrated Commodity Management Limited)

Auditor's responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profits and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



Independent Auditor's Report

Edelweiss Agri Value Chain Limited

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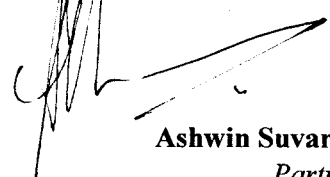
Report on other legal and regulatory requirements (Continued)

- e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.26 to the financial statements;
 - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including long term derivative contracts - Refer Note 2.36 to the financial statements; and
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231 W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai
11 May 2016

Edelweiss Agri Value Chain Limited

(formerly known as Edelweiss Integrated Commodity Management Limited)

Annexure A to the Independent Auditor's Report-31 March 2016

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties.
- ii. (a) The Company's management has conducted physical verification of stock-in-trade at reasonable intervals.
- (b) The procedures for physical verification of stock-in-trade followed by management are reasonable and adequate in relation to the size of the company and nature of business.
- (c) The company is maintaining proper records of stock-in-trade. No material discrepancies have been noticed on physical verification of stock-in-trade.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any activities conducted / services rendered by the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, duty of excise and cess. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, value added tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income-tax, service tax, value added tax and other material statutory dues which have not been deposited with appropriate authorities on account of any disputes.

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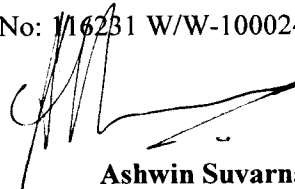
Annexure A to the Independent Auditor's Report-31 March 2016

- viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in the repayment of outstanding dues to financial institution, bank, government or debenture holder during the year.
- ix. According to the information and explanations given to us and based on our examination of records of the Company, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231 W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

11 May 2016

Edelweiss Agri Value Chain Limited

(formerly known as Edelweiss Integrated Commodity Management Limited)

Annexure B to the Independent Auditor's Report-31 March 2016

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

We have audited the internal financial controls over financial reporting of Edelweiss Agri Value Chain Limited (the "Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Edelweiss Agri Value Chain Limited

(formerly known as Edelweiss Integrated Commodity Management Limited)

Annexure B to the Independent Auditor's Report-31 March 2016 (Continued)

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

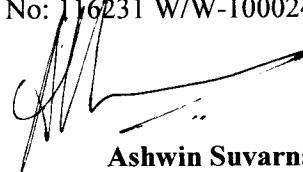
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231 W/W-100024



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

11 May 2016

Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Balance Sheet

(Currency: Rupees in millions)

	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	1,000.50	1,000.50
Reserves and surplus	2.2	14.86	(0.17)
		1,015.36	1,000.33
Non-current liabilities			
Long-term provisions	2.3	6.21	2.27
Current liabilities			
Short-term borrowings	2.4	5,586.62	1,736.44
Trade payables	2.5	375.46	67.36
Other current liabilities	2.6	2,324.69	860.23
Short-term provisions	2.7	0.80	0.37
		8,287.57	2,664.40
TOTAL		9,309.14	3,667.00
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.8	43.13	28.65
Intangible assets	2.8	19.12	17.30
Capital work-in-progress		10.49	5.58
Non-current investments	2.9	250.00	250.00
Deferred tax assets (net)	2.10	4.00	1.54
Long-term loans and advances	2.11	20.22	19.32
Other non-current assets	2.12	12.12	13.03
		359.08	335.42
Current assets			
Stock-in-trade	2.13	7,476.93	2,878.30
Trade receivables	2.14	1,196.33	374.74
Cash and bank balances	2.15	104.74	13.13
Short-term loans and advances	2.16	171.70	65.34
Other current assets	2.17	0.36	0.07
		8,950.06	3,331.58
TOTAL		9,309.14	3,667.00

Significant accounting policies and notes to the financial statements 1 & 2


The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No. 116231W/W-100024




Ashwin Suvarna

Partner

Membership No:109503

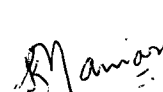
For and on behalf of the Board of Directors of
Edelweiss Agri Value Chain Limited



Santosh Dadheech

Executive Director

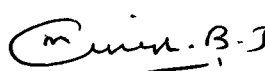
DIN No: 00196204



Kalpana Maniar

Director

DIN No: 00719180



Manish Jethwa

Chief Financial Officer



Manish Ajmera

Company Secretary

Mumbai
11 May 2016

Mumbai
11 May 2016

Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Statement of profit and loss

(Currency: Rupees in millions)

	Note	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Revenue from operations			
Fee income and warehousing income	2.18	726.09	171.77
Interest income	2.19	391.25	93.05
Sale of commodities		8,726.29	394.87
Other income	2.20	2.36	0.70
Total Revenue		9,845.99	660.39
Expenses			
Purchase of commodities		13,191.05	3,260.82
Changes in stock-in-trade of commodities		(4,589.16)	(2,878.30)
Employee benefit expenses	2.21	270.19	106.58
Finance costs	2.22	252.32	24.02
Depreciation and amortisation expense	2.8	29.56	6.86
Other expenses	2.23	668.96	140.66
Total expenses		9,822.92	660.64
Profit/(Loss) before tax		23.07	(0.25)
Tax expense:			
Current tax [including short provision for earlier years Rs. 2.62 million; (Previous year: Rs. Nil)]		10.50	1.47
Deferred tax		(2.46)	(1.55)
Profit/(Loss) for the year/period		15.03	(0.17)
Earnings per equity share (face value Rs. 10 each)			
Basic and diluted (in rupees)	2.28	0.15	(0.002)
Significant accounting policies and notes to the financial statements	1 & 2		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No. 116231W/W-100024

Ashwin Suvarna
Partner
Membership No:109503

For and on behalf of the Board of Directors of
Edelweiss Agri Value Chain Limited

Santosh Dadheech
Executive Director
DIN No: 00196204

Kalpna Maniar
Director
DIN No: 00719180

Manish Jethwa
Chief Financial Officer

Manish Ajmera
Company Secretary

Mumbai
11 May 2016

Mumbai
11 May 2016

Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Cash flow statement

(Currency: Rupees in millions)


	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
A Cash flow from operating activities		
Profit/(loss) before tax	23.07	(0.25)
Adjustments for		
Depreciation and amortisation expense	29.56	6.86
Profit on sale of fixed assets (net)	(0.16)	-
Provision for compensated leave absences	1.89	1.66
Interest income	(2.51)	(32.17)
Interest expense	249.91	23.85
Operating cash flow before working capital changes	301.76	(0.05)
Adjustments for working capital changes		
Increase in trade receivables	(821.60)	(374.74)
Increase in stock in trade	(4,598.63)	(2,878.30)
Increase in loans and advances	(173.40)	(74.78)
Decrease / (increase) in other current assets	0.91	(13.10)
Increase in current liabilities and provisions	1,757.47	928.57
Cash used in operations	(3,533.49)	(2,412.40)
Income taxes paid	(15.69)	(10.67)
Net cash used in operating activities - A	(3,549.18)	(2,423.07)
B Cash flow from investing activities		
Purchase of fixed assets (including capital work-in progress)	(51.75)	(58.39)
Proceeds from sale of fixed assets	1.14	-
Short term loans repaid / (given) (refer note 1)	0.67	(0.67)
Interest income	2.21	32.17
Purchase of investments	-	(250.00)
Net cash used in investing activities - B	(47.73)	(276.89)
C Cash flow from financing activities		
Proceeds from borrowing of unsecured loans (net) (refer note 1)	1,172.99	1,736.44
Proceeds from borrowing of secured loans (net) (refer note 1)	1,199.16	-
Proceeds from issuance of share capital	-	1,000.50
Proceeds from issuance of commercial paper (net) (refer note 1)	1,478.02	-
Interest paid	(232.31)	(23.85)
Net cash generated from financing activities - C	3,617.86	2,713.09
Net increase in cash and cash equivalents (A+B+C)	20.95	13.13
Cash and cash equivalents as at the beginning of the year / period	13.13	-
Cash and cash equivalents as at the end of the year / period (refer note 2.15)	34.08	13.13

Note:

1 Net figures have been reported on account of volume of transactions.


As per our report of even date attached.

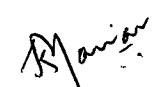
For B S R & Associates LLP
Chartered Accountants
Firm's Registration No. 116231W/W-100024

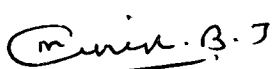

Ashwin Suvarna
Partner
Membership No:109503


Mumbai
11 May 2016

For and on behalf of the Board of Directors of
Edelweiss Agri Value Chain Limited


Santosh Dadheech
Executive Director
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Manish Jethwa
Chief Financial Officer


Manish Ajmera
Company Secretary

Mumbai
11 May 2016

Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements

1. Significant accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Use of estimates

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

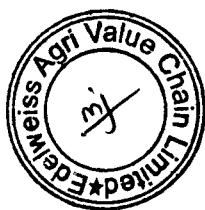
1.3 Current / non-current classification

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

Assets

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

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Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (Continued)

1.3 Current / non-current classification (continued)

Liabilities

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

1.4 Revenue recognition

- Fee income including advisory fees is accounted on accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Commodities sales are accounted when all obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.
- Interest income is recognised on accrual basis.
- Interest on delayed payment is recognised on accrual basis by reference to the agreements entered.
- Warehouse income is recognised on accrual basis by reference to the agreements entered.
- Sale during the course of import by transfer of documents of title i.e. high seas sale is booked upon transfer of documents of title to the goods in favour of buyer before the goods cross the customs frontiers of India.

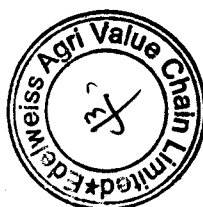
1.5 Fixed assets and depreciation

Tangible fixed assets and capital work in progress

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

SK



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (Continued)

1.5 Fixed assets and depreciation (continued)

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

Class of asset	Estimated useful life
Plant and equipments	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Intangible fixed assets

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

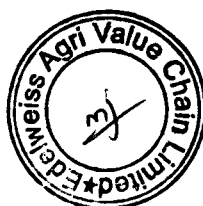
Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.

1.6 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of the asset's net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.7 Stock in trade

Inventories in the form of commodities are valued at cost or net realisable value, whichever is lower.



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Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

1.8 Investments

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

Non-current (long-term) investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

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

1.9 Foreign currency transactions

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

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

Non monetary assets and liabilities are carried at historical cost using exchange rate on the date of the transaction.

1.10 Employee benefits

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

Provident fund and national pension scheme

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

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.



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Notes to the financial statements (Continued)

1.10 Employee benefits (continued)

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

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

Compensated leave absences

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

1.11 Operating lease

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

1.12 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share”. Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

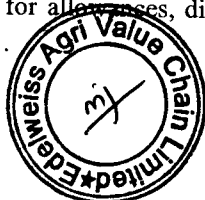
Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year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

1.13 Taxation

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

Current tax

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



Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

1.13 Taxation (continued)

Deferred tax

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

1.14 Provisions and contingencies

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

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

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

1.15 Presentation of financial assets and liabilities

Financial assets and liabilities are offset and the net amounts are presented in the Balance Sheet where the Company has a legal right to set off the recognised amounts. Such legal rights are by virtue of a binding legal contract or by an irrevocable undertaking executed by the Company. The aforesaid policy is generally applied to offset receivables from and payables to same counterparties; to offset fixed deposits specifically pledged with banks against the borrowings availed from them and other such similar qualifying arrangements.



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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016	As at 31 March 2015
2.1 Share capital		
Authorised:		
110,000,000 (Previous year: 110,000,000) equity shares of Rs. 10 each	1,100.00	1,100.00
	<u>1,100.00</u>	<u>1,100.00</u>
Issued, Subscribed and Paid up:		
100,050,000 (Previous year: 100,050,000) equity shares of Rs. 10 each, fully paid up	1,000.50	1,000.50
	<u>1,000.50</u>	<u>1,000.50</u>

(The entire paid up equity share capital is held by Edelweiss Commodities Services Limited, the holding company and its nominees)

Reconciliation of shares outstanding at the beginning and at the end of the year:

	31 March 2016		31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid				
Outstanding at the beginning of the year / period	100,050,000	1,000.50	-	-
Issued during the year / period	-	-	100,050,000	1,000.50
Outstanding at the end of the year / period	<u>100,050,000</u>	<u>1,000.50</u>	<u>100,050,000</u>	<u>1,000.50</u>

Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

	31 March 2016		31 March 2015	
	Number of shares	Percentage Shareholding	Number of shares	Percentage Shareholding
Equity shares				
Edelweiss Commodities Services Limited, the holding company and its nominees	100,050,000	100%	100,050,000	100%

Details of share in the Company held by each shareholder holding more than 5% shares:

	31 March 2016		31 March 2015	
	Number of shares	Percentage Shareholding	Number of shares	Percentage Shareholding
Equity shares of Rs 10 each fully paid				
Edelweiss Commodities Services Limited, the holding company	100,050,000	100%	100,050,000	100%

Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 1:

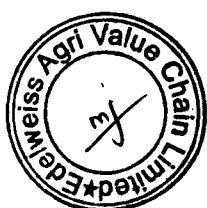
No shares allotted as fully paid-up pursuant to contract without payment being received in cash by the Company since the incorporation of the Company.

Note 2:

No shares allotted as fully paid up by way of bonus shares by the Company since incorporation of the Company.

Note 3:

No shares bought back by the Company since the incorporation of the Company.



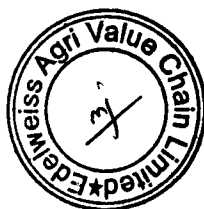
Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016	As at 31 March 2015
2.2 Reserves and surplus		
Surplus/(deficit) in the statement of profit and loss		
Opening balance	(0.17)	-
Add: Profit/(loss) for the year/period	15.03	(0.17)
	<u>14.86</u>	<u>(0.17)</u>
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	3.40	0.98
Compensated leave absences	2.81	1.29
	<u>6.21</u>	<u>2.27</u>
2.4 Short-term borrowings		
Secured		
Loans repayable on demand		
Overdraft from banks	1,199.16	-
(Secured by pledge of stock-in-trade)		
	<u>1,199.16</u>	<u>-</u>
Unsecured		
Loans repayable on demand		
Loans from related parties	2,909.44	1,736.44
(Loans are repayable at variable rate of interest)		
Commercial paper	1,500.00	-
Less: Unamortised discount on commercial paper	(21.98)	-
	<u>1,478.02</u>	<u>-</u>
	<u>5,586.62</u>	<u>1,736.44</u>



Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016	As at 31 March 2015
2.5 Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (includes sundry creditors and provision for expenses)	375.46	67.36
	<u>375.46</u>	<u>67.36</u>
2.6 Other current liabilities		
Interest accrued and due on borrowings	21.90	4.30
Other payables		
Accrued salaries and benefits	36.99	23.02
Withholding tax, service tax and other taxes payable	34.82	14.10
Advances from customers	2,221.35	811.44
Retention money payable	0.14	0.13
Others	9.49	7.24
	<u>2,324.69</u>	<u>860.23</u>
2.7 Short-term provisions		
Provision for employee benefits		
Gratuity	0.07	0.01
Compensated leave absences	0.73	0.36
	<u>0.80</u>	<u>0.37</u>

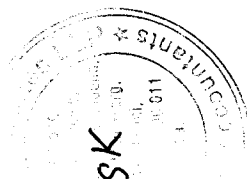
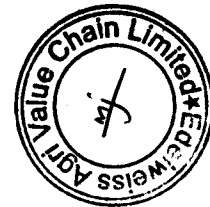


Notes to the financial statements (Continued)

(Currency: Rupees in millions)

2.8 Fixed assets

Description of assets	Gross Block			Depreciation and amortisation			Net Block	
	As at 1 April 2015	Additions during the year / period	Deductions during the year / period	As at 31 March 2016	Charge for the year / period	Deductions during the year / period	As at 31 March 2016	As at 31 March 2015
Tangible assets								
Plant and equipments	7.83	0.58	-	8.41	1.39	-	6.50	7.31
Furniture and fixtures	0.35	4.73	-	5.08	0.85	-	4.21	0.33
Vehicles	3.08	0.03	1.22	1.89	0.83	0.29	1.21	2.95
Office equipment	7.87	13.83	0.04	21.66	7.12	0.01	13.35	6.67
Computers and networking	13.60	11.45	0.05	25.00	9.46	0.03	12.67	10.70
Leasehold improvements	0.75	6.25	-	7.00	1.75	-	5.19	0.69
Total: A	33.48	36.87	1.31	69.04	21.40	0.33	43.13	28.65
Intangible assets								
Computer Software	19.32	9.98	-	29.30	8.16	-	19.12	17.30
Total: B	19.32	9.98	-	29.30	8.16	-	19.12	17.30
Grand Total [A+B]	52.80	46.85	1.31	98.34	29.56	0.33	62.25	45.95
Previous Year	-	52.81	-	52.81	6.86	-	45.95	



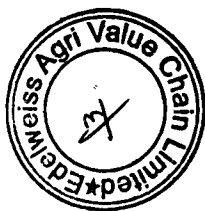
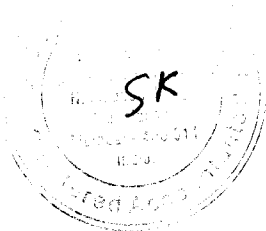
Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016			As at 31 March 2015		
	Face value*	Quantity	Amount	Face value*	Quantity	Amount
2.9 Non-current investments						
Others (unquoted)						
Investments in preference shares of a related party (fully paid up)						
Non cumulative non convertible redeemable						
7% Edelweiss Broking Limited	10	250,000	250.00	10	250,000	250.00
			<u>250.00</u>			<u>250.00</u>
Aggregate value of unquoted investment						
At carrying value			250.00			250.00
* Amount in rupees						



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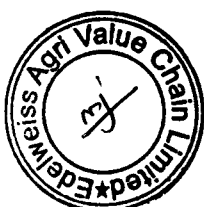
Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016	As at 31 March 2015
2.10 Deferred tax		
Deferred tax liabilities		
Tax effect of the timing differences on account of:		
Difference between book and tax depreciation	2.04	2.23
	<u>2.04</u>	<u>2.23</u>
Deferred tax assets		
Tax effect of the timing differences on account of:		
Disallowances under section 43B of the Income Tax Act, 1961	2.32	0.81
Others	3.72	2.96
	<u>6.04</u>	<u>3.77</u>
Deferred tax assets (net)	<u>4.00</u>	<u>1.54</u>
2.11 Long-term loans and advances		
Unsecured, considered good		
Capital advances	0.18	-
Rental deposits	17.45	10.12
Advance income tax [net of provision for taxation Rs. 7.88 million (Previous year: Rs. Nil)]	2.59	9.20
	<u>20.22</u>	<u>19.32</u>
2.12 Other non-current assets		
Long term deposits with banks		
Held as margin money or security against borrowings, guarantees (Refer note 2.27)	12.12	13.03
	<u>12.12</u>	<u>13.03</u>
2.13 Stock-in-trade (Refer note 2.29)		
Commodities *		
Agricultural products	7,467.46	2,878.30
Consumables	9.47	-
	<u>7,476.93</u>	<u>2,878.30</u>

* Quantitative details of individual commodities not given due to varied nature of products and measurement units.

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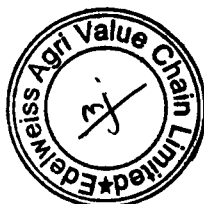
Edelweiss Agri Value Chain Limited

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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2016	As at 31 March 2015
2.14 Trade receivables		
Outstanding for a period exceeding six months		
Secured, considered good	218.46	-
Unsecured, considered good	21.61	-
	<u>240.07</u>	<u>-</u>
Other debts		
Unsecured, considered good	956.26	374.74
	<u>1,196.33</u>	<u>374.74</u>
2.15 Cash and bank balances		
Cash and cash equivalents		
Balances with banks	-	-
in current accounts	33.71	12.90
Cash on hand	0.37	0.23
	<u>34.08</u>	<u>13.13</u>
Other balances with banks		
Short term deposits with banks:		
Held as margin money or security against borrowings, guarantees (Refer note 2.27)	70.66	-
	<u>104.74</u>	<u>13.13</u>
2.16 Short-term loans and advances		
Unsecured, considered good		
Loans and advances to related parties	-	0.67
Other loans and advances		
Deposits placed with exchanges	0.24	-
Security deposits	48.20	17.04
Prepaid expenses	2.49	3.58
Loans and advances to employees	2.30	5.08
Vendor advances	31.51	8.25
Input tax credit	74.97	30.72
Advance income tax [net of provision for taxation Rs. 4.09 million; (Previous year: Rs. Nil)]	11.81	-
Advances recoverable in cash or in kind or for value to be received	0.18	-
	<u>171.70</u>	<u>65.34</u>
2.17 Other current assets		
Accrued interest on fixed deposits	0.36	0.07
	<u>0.36</u>	<u>0.07</u>



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
2.18 Fee income and warehousing income		
Warehouse charges	696.42	98.18
Advisory and other fees	29.67	73.59
	726.09	171.77
2.19 Interest income		
Interest income on loan	0.03	31.75
Interest income on fixed deposits	2.48	0.42
Interest income on delayed payments	388.74	60.88
	391.25	93.05
2.20 Other income		
Profit on sale of fixed assets (net)	0.16	-
Foreign exchange gain	-	0.53
Miscellaneous income	2.20	0.17
	2.36	0.70
2.21 Employee benefit expenses		
Salaries and wages	248.13	100.20
Contribution to provident and other funds (Refer note 2.34)	11.95	3.97
Staff welfare expenses	10.11	2.41
	270.19	106.58
2.22 Finance costs		
Interest on bank overdraft	0.44	-
Interest on loans from holding company	249.91	23.85
Interest - others	0.14	-
Discount on commercial paper	0.79	-
Financial and bank charges	1.04	0.17
	252.32	24.02



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Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
2.23 Other expenses		
Advertisement and business promotion	1.64	0.45
Auditor's remuneration (Refer note below)	1.24	0.72
Commission and brokerage	2.23	0.51
Communication	11.79	2.22
Computer expenses	6.05	0.98
Clearing and forwarding charges	6.99	1.82
Director's sitting fees	0.10	-
Dunnage and fumigation expense	33.89	8.64
Electricity charges (Refer note 2.35)	5.12	1.97
Foreign exchange loss (net)	1.96	-
Insurance	19.48	1.99
Legal and professional fees	6.04	6.24
Membership and subscription	1.71	0.19
Office expenses	30.68	4.07
Postage and courier	2.29	0.12
Printing and stationery	6.19	2.57
Rates and taxes	8.15	1.05
Rent (Refer note 2.32 and 2.35)	370.99	74.07
Repairs and maintenance - building	0.03	-
Repairs and maintenance - others	2.76	0.72
ROC expenses	0.02	10.56
Service tax expenses	24.02	6.71
Stamp duty	0.81	0.27
Stock exchange expenses	0.67	-
Transportation charges (net)	5.29	1.08
Travelling and conveyance	27.58	8.54
Warehousing charges	87.15	4.06
Miscellaneous expenses	4.09	1.11
	668.96	140.66
Note:		
Auditors' remuneration:		
As auditor's	1.20	0.72
For reimbursement of expenses	0.04	-
	1.24	0.72

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Edelweiss Agri Value Chain Limited

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Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.24 Segment reporting:

Primary segment (Business segment)

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

Segment	Activities covered
Capital based business	Supply chain management, interest income and investment activities.
Agency business	Warehouse and other fee based services

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

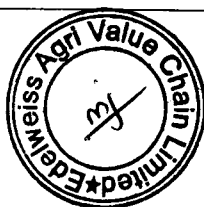
Secondary segment (Geographical segment)

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

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

Sr. No.	Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
i)	Segment revenue		
	a) Capital based business	9,095.76	488.62
	b) Agency business	750.23	171.77
	Total	9,845.99	660.39
	Less : Inter segment revenue	-	-
	Total Income	9,845.99	660.39
ii)	Segment results		
	a) Capital based business	6.51	(50.21)
	b) Agency business	16.56	49.96
	Profit / (Loss) before tax	23.07	(0.25)
	Add / (Less): Provision for tax	(8.04)	0.08
	Profit / (Loss) after tax	15.03	(0.17)

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Edelweiss Agri Value Chain Limited

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Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.24 Segment reporting (Continued)

	Particulars	As at 31 March 2016	As at 31 March 2015
iii)	Segment assets		
	a) Capital based business	8,670.44	3,187.44
	b) Agency business	620.31	225.96
	c) Unallocated (Refer Note 1)	18.39	253.60
	Total	9,309.14	3,667.00
iv)	Segment liabilities		
	a) Capital based business	8,210.92	2,646.76
	b) Agency business	82.86	19.91
	Total	8,293.78	2,666.67
v)	Capital expenditure (including capital work-in-progress)		
	a) Capital based business	25.58	25.28
	b) Agency business	26.17	33.11
	Total	51.75	58.39
vi)	Depreciation and amortisation expense		
	a) Capital based business	13.23	2.89
	b) Agency business	16.33	3.97
	Total	29.56	6.86
vii)	Significant non-cash expenses other than depreciation and amortisation		
	a) Capital based business	0.47	1.96
	b) Agency business	1.26	0.68
	Total	1.73	2.64

Note 1: Unallocated assets represent deferred tax and advance tax.

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Edelweiss Agri Value Chain Limited

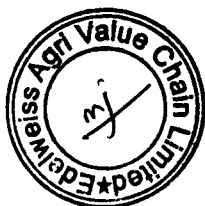
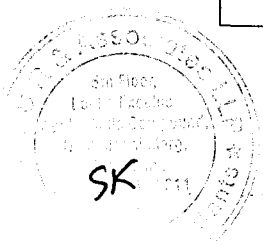
(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.25 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014:

Sr. No.	Particulars
A.	Name of the related parties by whom control is exercised
	Edelweiss Commodities Services Limited, the holding company
	Edelweiss Financial Services Limited, the ultimate holding company
B.	Fellow Subsidiaries with whom the Company has transactions
	ECL Finance Limited
	Edel Commodities Trading Limited
	Edelweiss Web Services Limited
	EFSL Commodities Limited
	Edel Commodities Limited
	Edelweiss Investments Adviser Limited
	Edelweiss Securities Limited
	EC Commodity Limited
	ECAP Equities Limited
	Edel Investments Limited
	Edel Land Limited
	Edelweiss Capital Markets Limited
	Edelweiss Global Wealth Management Limited
	EFSL Comtrade Limited
	Edelweiss Broking Limited
	Aster Commodities DMCC
C.	Key Management Personnel with whom transactions have taken place
	Mr. Santosh Dadheech (Executive Director)



Edelweiss Agri Value Chain Limited

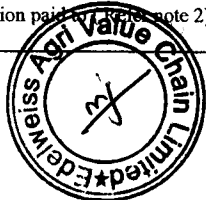
(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (Continued)

(Currency: Rupees in millions)

2.25 Related party disclosure (continued)

Nature of Transaction	Name of the related party	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Capital account transactions during the year			
Equity shares issued to	Edelweiss Commodities Services Limited	-	1,000.50
Current account transactions during the year			
Short term loans taken from (Refer note 1)	Edelweiss Financial Services Limited	3,800.17	1,736.44
	Edelweiss Commodities Services Limited	2,908.49	-
Short term loans repaid to (Refer note 1)	Edelweiss Financial Services Limited	5,535.66	-
Short term loans given to (Refer note 1)	Edelweiss Commodities Services Limited	-	999.00
Short term loans repaid by (Refer note 1 and 3)	Edelweiss Commodities Services Limited	0.54	998.46
Income			
Sale of commodities to	Edelweiss Commodities Services Limited	16.24	-
Interest income on loans to	Edelweiss Commodities Services Limited	0.03	31.75
Warehouse income from	EC Commodity Limited	-	0.12
	ECap Equities Limited	-	0.25
	Edel Commodities Limited	-	0.09
	Edel Commodities Trading Limited	4.76	0.84
	Edel Investments Limited	-	0.10
	Edel Land Limited	-	0.25
	Edelweiss Capital Markets Limited	-	0.15
	Edelweiss Commodities Services Limited	278.27	47.76
	Edelweiss Global Wealth Management Limited	-	0.03
	Edelweiss Web Services Limited	-	0.09
	EFSL Commodities Limited	0.27	0.59
	EFSL Comtrade Limited	-	0.16
Commission received from	Edelweiss Commodities Services Limited	0.57	-
Collateral management fees received from	ECL Finance Limited	9.63	1.47
Cost reimbursements received from	Edelweiss Commodities Services Limited	2.85	1.84
Expenses			
Purchase of commodities from	Edelweiss Commodities Services Limited	282.48	-
	Aster Commodities DMCC	176.87	-
Interest expenses on loans from	Edelweiss Financial Services Limited	249.00	23.85
	Edelweiss Commodities Services Limited	0.91	-
Cost reimbursements paid to	Edelweiss Commodities Services Limited	18.09	11.99
	Edelweiss Financial Services Limited	88.72	0.18
	Edelweiss Web Services Limited	24.53	-
Legal and professional fees to	Edelweiss Securities Limited *	0.01	-
Processing fees paid to	Edelweiss Web Services Limited	0.44	0.12
Warehouse expense to	Edel Commodities Limited	11.46	-
	Edelweiss Securities Limited	14.72	-
Transaction charges to	Edelweiss Securities Limited	0.66	-
Remuneration paid to (Refer note 2)	Santosh Dadheech	7.74	1.05



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Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (Continued)

(Currency: Rupees in millions)

2.25 Related party disclosure (continued)

Nature of Transaction	Name of the related party	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Balances with related parties (Assets) as on 31 March 2016			
Investment in preference shares in	Edelweiss Broking Limited	250.00	250.00
Trade receivables from	Edelweiss Web Services Limited	-	0.19
	EC Commodity Limited	-	0.12
	ECap Equities Limited	-	0.25
	Edel Commodities Limited	-	0.09
	Edel Commodities Trading Limited	4.67	0.84
	Edel Investments Limited	-	0.10
	Edel Land Limited	-	0.25
	Edelweiss Capital Markets Limited	-	0.15
	Edelweiss Commodities Services Limited	251.78	49.60
	Edelweiss Global Wealth Management Limited	-	0.03
	EFSL Commodities Limited	0.27	0.59
	Edelweiss Commodities Services Limited	-	0.16
	ECL Finance Limited	1.07	1.65
	Edelweiss Financial Services Limited	0.05	-
Short term loans and advances given to	Edelweiss Commodities Services Limited	-	0.54
	Edel Commodities Trading Limited	-	0.12
	ECL Finance Limited *	-	0.01
Accrued interest income on loans given to	Edelweiss Commodities Services Limited *	-	0.01
Advances recoverable from	Edelweiss Commodities Services Limited	0.18	-
	Edelweiss Investments Adviser Limited *	0.01	-
Balances with related parties (Liabilities) as on 31 March 2016			
Short term loans payables	Edelweiss Financial Services Limited	0.95	1,736.44
	Edelweiss Commodities Services Limited	2,908.49	-
Trade payables to	Edelweiss Commodities Services Limited	-	3.34
	Edelweiss Financial Services Limited	-	0.14
	Edelweiss Web Services Limited	0.46	0.13
	Edelweiss Financial Services Limited	-	0.30
	Edel Commodities Limited	11.46	-
	Edelweiss Securities Limited	3.82	-
Accrued interest expense on loans taken from	Edelweiss Financial Services Limited	21.08	4.30
	Edelweiss Commodities Services Limited	0.82	-
Security deposits payable to	Edelweiss Commodities Services Limited	0.40	-

* amount is less than Rs. 0.01 million

Note 1:

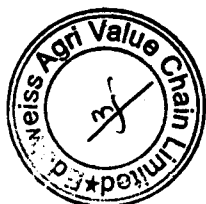
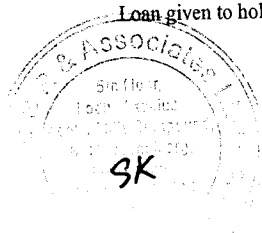
The Intra group company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period.

Note 2:

Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity and leave encashment which are provided for group of employees on an overall basis. These are included on cash basis.

Note 3:

Loan given to holding company are for general corporate business.



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.26 Contingent liabilities and capital commitments (to the extent not provided for):

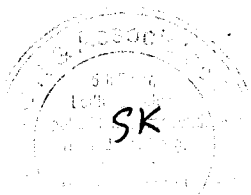
Contingent liabilities (to the extent not provided for): Rs. Nil (Previous year: Rs. Nil)

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 29.38 million (Previous year: Rs. 6.81 million)

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

2.27 Encumbrances on fixed deposits held by the Company:

Sr. No.	Particulars
i)	Fixed deposits aggregating to Rs. 10.07 million (Previous year: Rs. 4.91 million) have been pledged with Agriculture Produce Market Committee for mandi license.
ii)	Fixed deposits aggregating to Rs. 0.42 million (Previous year: Rs. 0.92 million) have been pledged with sales tax authorities for meeting deposit requirements.
iii)	Fixed deposits aggregating to Rs. 70.00 million (Previous year: Rs. Nil) have been pledged with banks against Overdraft.
iv)	Fixed deposits aggregating to Rs. 7.54 million (Previous year: Rs. 7.20 million) have been pledged with Customs authorities for Warehouse License.



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.28 Earnings per share:

In accordance with Accounting Standard 20 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

Sr. No.	Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
i)	Profit/(loss) after tax (as per statement of profit and loss) (a)	15.03	(0.17)
ii)	Calculation of weighted average number of equity shares of Rs.10 each:		
	Number of shares outstanding at the beginning of the year / period	100,050,000	
	Number of Shares issued during the year / period	-	100,050,000
	Total number of equity shares outstanding at the end of the year / period	100,050,000	100,050,000
	Weighted average number of equity shares outstanding during the year / period (based on the date of issue of shares) (b)	100,050,000	83,250,000
iii)	Basic and diluted earnings / (loss) per share (Face value Rs 10) (in rupees) (a)/(b)	0.15	(0.002)

2.29 Details of stock-in-trade: Commodities:

Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
(a) Opening stock	2,878.30	-
(b) Purchase	13,191.05	3,260.82
(c) Sales	8,726.29	394.87
(d) Closing stock	7,467.46	2,878.30
(e) Profit on sale of commodities (c + d - a - b)	124.40	12.35

Quantitative details of commodities are not given due to the varied nature of products and measurement units.



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.30 Earnings in foreign currency:

Sr. No.	Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
(a)	F.O.B. value of exports	303.06	37.24

2.31 Expenditure in foreign currency from India:

Sr. No.	Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
(a)	Travelling and conveyance - foreign travel	0.03	0.02
(b)	Membership and subscription	0.63	0.03
(c)	Legal and professional fees	-	0.11
(d)	Financial and bank charges	0.08	-

Value of import on C.I.F. basis:

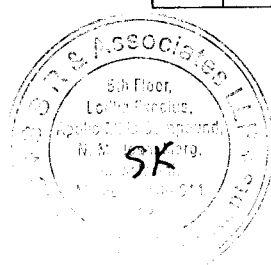
Sr. No.	Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
(a)	Commodities	182.94	-

2.32 Operating leases:

The Company has taken warehouses and office premises under operating lease agreements. Gross rental expenses for the year ended 31 March 2016 aggregated to Rs. 370.99 million (Previous year: Rs. 74.07 million) (Refer Note – 2.23) which has been included under the head other expenses – Rent in the statement of profit and loss.

Non-cancellable operating lease obligation:

Sr. No.	Particulars	As at 31 March 2016	As at 31 March 2015
1	Not later than one year	241.02	157.72
2	Later than one year but not later than five years	126.91	112.49
3	Later than five years	-	-



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.33 Details of dues to micro, small and medium enterprises:

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

2.34 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits:

A) Defined contribution plan (Provident fund and national pension scheme):

Amount of Rs. 11.95 million (Previous year: Rs. 3.97 million) is recognized as income and expense respectively and included in "Employee benefit expenses" – Note 2.21 in the statement of profit and loss.

B) Defined benefit plan (Gratuity):

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

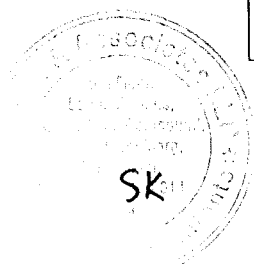
2.34 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (Continued)

Reconciliation of defined benefit obligation (DBO)

Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Present value of DBO at the start of the year	0.98	-
Transfer in / (out)	0.18	0.13
Current service cost	1.98	0.79
Interest cost	0.09	0.01
Benefits paid	-	-
Actuarial loss / (gain)	0.24	0.05
Present value of DBO at the end of the year	3.47	0.98

Net liability recognised in the balance sheet:

Particulars	As at 31 March 2016	As at 31 March 2015
Liability at the end of the year	3.47	0.98
Fair value of plan assets at the end of the year	-	-
Amount in balance sheet – liability	3.47	0.98



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.34 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (Continued) Experience Adjustment:

Expenses recognised in the statement of profit & loss:

Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Current service cost	1.98	0.79
Interest cost	0.09	0.01
Actuarial loss	0.24	0.06
Employer expense	2.31	0.86

Particulars	As at 31 March 2016	As at 31 March 2015
Defined benefit obligation	3.47	0.98
Fair value of plan assets	-	-
Surplus / (deficit)	(3.47)	(0.98)
Experience adjustment on plan liabilities: (gain)/loss	0.15	* -
Experience adjustment on plan assets: gain/(loss)	N.A.	N.A.

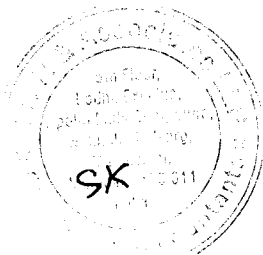
* Being the first actuarial valuation.

Principal actuarial assumptions at the balance sheet date:

Particulars	For the year ended 31 March 2016	For the period 24 July 2014 to 31 March 2015
Discount rate	7.4%	7.8%
Salary escalation	7%	7%
Employee attrition rate	13% to 25%	13% to 25%
Mortality rate (Indian assured lives mortality)	2006-2008	2006-2008

2.35 Cost sharing and other recoveries:

Edelweiss Commodities Services Limited, being the holding company incurs expenditure like rent expenditure, electricity expenditure etc., which is for the benefit of the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied and actual identifications etc. Accordingly, and as identified by management, the expenditure heads in note 2.23 in the statement of the profit and loss are inclusive of the reimbursements.



Edelweiss Agri Value Chain Limited

(Formerly known as Edelweiss Integrated Commodity Management Limited)

Notes to the financial statements (continued)

(Currency: Rupees in millions)

- 2.36 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Company has not entered into any derivative contracts during the year.

As per our report of even date attached.

For B S R & Associates LLP

Chartered Accountants

Firm Registration No. 116234 W/W-100024



Ashwin Suvarna

Partner

Membership No:109503

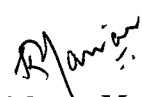
**For and on behalf of the Board of Directors of
Edelweiss Agri Value Chain Limited**



Santosh Dadheech

Executive Director

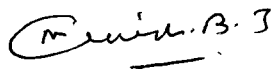
DIN No: 00196204



Kalpana Maniar

Director

DIN No: 00719180



Manish Jethwa

Chief Financial Officer

Mumbai

11 May 2016



Manish Ajmera

Company Secretary

Mumbai

11 May 2016