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INDEPENDENT AUDITOR'S REPORT

To the Directors of EW Special Opportunities Advisors LLC

Opinion

We have audited the accompanying special purpose financial statements (accompanying financial statements) of EW Special Opportunities Advisors LLC (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 profit 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 1 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 1 to the accompanying Special Purpose Financial Statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Company for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained; whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Other matters - restriction of use

The comparative Ind AS financial statements of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April 1, 2017, included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements' prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) and have been audited by us and have expressed an unmodified opinion on those statements vide report dated April 24, 2018 and May 15, 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 EW Special Opportunities Advisors LLC 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

NGS & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

R.P.Son

R.P.Soni
Partner
Membership Number: 104796

Place: Mumbai
Date: May 08, 2019

EW Special Opportunities Advisors LLC

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
ASSETS				
Financial assets				
Cash and cash equivalents	2.1	53,19,077	50,37,850	48,87,048
Trade receivables	2.2	-	26,01,764	25,93,544
Investments	2.3	8,972	8,475	8,453
Other financial assets	2.4	32,54,871	-	-
		85,82,920	76,48,089	74,89,045
Non-financial assets				
Other non- financial assets	2.5	2,98,388	2,80,586	2,79,698
		2,98,388	2,80,586	2,79,698
TOTAL ASSETS		88,81,308	79,28,675	77,68,743
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables	2.6	7,46,671	3,53,288	3,07,602
		7,46,671	3,53,288	3,07,602
EQUITY				
Equity share capital	2.7	2,12,69,527	2,12,69,527	2,12,69,527
Other equity	2.8	(1,31,34,890)	(1,36,94,140)	(1,38,08,386)
		81,34,637	75,75,387	74,61,141
TOTAL LIABILITIES AND EQUITY		88,81,308	79,28,675	77,68,743

Significant accounting policies and notes forming part of the financial stateme **1 & 2**

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

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

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

R. P. Soni
Partner
Membership No.: 104796

Mumbai
08 May 2019

For and on behalf of the Board of Directors

Director
Mr Mannish Ajodah

Director
Mr Subhas lallah

EW Special Opportunities Advisors LLC

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			
Fee income	2.9	-	25,77,896
Total revenue from operations		-	25,77,896
Total income		-	25,77,896
Expenses			
Finance costs	2.10	1,41,966	1,03,975
Other expenses	2.11	30,67,239	23,84,150
Total expenses		32,09,205	24,88,125
Profit/(loss) before tax		(32,09,205)	89,771
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the year		(32,09,205)	89,771
Other comprehensive income			
Items that will be reclassified to profit or loss			
Foreign Exchange Translation Reserve - OCI		37,68,456	24,474
Total		37,68,456	24,474
Other comprehensive income		37,68,456	24,474
Total comprehensive income		5,59,251	1,14,245
Earnings per Class A shares (par value USD 1 each):	2.12		
Basic		(86.01)	2.41
Diluted		(86.01)	2.41

Significant accounting policies and notes forming part of the financial statement 1 & 2

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

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

R.P.Soni

R. P. Soni
Partner
Membership No.: 104796

Mumbai
08 May 2019

NGS & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Director
Mr. Mannish Ajodah

Director
Mr Subhas Lallah

EW Special Opportunities Advisors LLC

Cash flow statement

(Currency: Indian rupees)

		For the year ended 31 March 2019	For the year ended 31 March 2018
A	**Cash flow from operating activities**		
	Profit/(loss) before taxation	(32,09,205)	89,771
	Operating cash flow before working capital changes	(32,09,205)	89,771
	Add / (Less): Adjustments for working capital changes		
	(Increase)/decrease in trade receivables	26,01,764	(8,220)
	(Increase) / decrease in financial and non financial assets	(32,72,673)	(888)
	Increase in trade payables	3,93,382	45,686
	Cash generated from / (used in) operations	(34,86,732)	1,26,349
	Income taxes paid	-	-
	Net cash generated from / (used in) operating activities - A	(34,86,732)	1,26,349
B	**Cash flow from investing activities - B**	-	-
C	**Cash flow from financing activities - C**	-	-
D	**Change in foreign exchange translation reserve - D**	37,67,959	24,452
	Net increase in cash and cash equivalents (A+B+C+D)	2,81,227	1,50,802
	Cash and cash equivalents as at the beginning of the year	50,37,850	48,87,048
	Cash and cash equivalents as at the end of the year (refere note no 2.1)	53,19,077	50,37,850

This is cash flow statement referred to in our report of even date

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

NGS & CO. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

R. P. Soni
Partner
Membership No.: 104796

Mumbai
08 May 2019

For and on behalf of the Board of Directors

Director
Mr. Mannish Ajodah

Director
Mr Sobhas lallah

EW Special Opportunites Advisors LLC

Statement of Changes in Equity

(Currency : Indian rupees)

A. Equity share capital

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Balance at the beginning of the year	2,12,69,527	2,12,69,527	2,12,69,527
Change in equity share capital	-	-	-
Balance at the end of the year	2,12,69,527	2,12,69,527	2,12,69,527

B. Other equity

Particular	Reserves and Surplus	Other comprehensive income	
	Retained earnings	Foreign Exchange Translation Reserve	Total
Balance at 1 April 2017 (Indian GAAP)	(1,70,38,782)	32,30,396	(1,38,08,386)
Ind AS adjustments	32,30,396	(32,30,396)	-
Profit for the year	89,771	-	89,771
Other comprehensive income	-	24,474	24,474
Total Comprehensive Income for the year	89,771	24,474	1,14,245
Balance at 31 March 2018 (Ind AS)	(1,37,18,614)	24,474	(1,36,94,140)
Loss for the year	(32,09,205)		(32,09,205)
Other comprehensive income	-	37,68,456	37,68,456
Total Comprehensive Income for the year		37,68,456	37,68,456
Balance at 31 March 2019 (Ind AS)	(1,69,27,820)	37,92,930	(1,31,34,890)

Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

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.

This is the statement of changes in equity referred to our report of even date.

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

R. P. Soni
Partner
Membership No.: 104796

Mumbai
08 May 2019

For and on behalf of the Board of Directors

Director
Mr Mannish Ajodah

Director
Mr Subhas Lallah

1.1 Background

EW Special Opportunities Advisors LLC (the "Company") was incorporated on 17 July 2009 in the Republic of Mauritius as a private company limited by shares. The Company holds a Category 1 Global Business Licence under the Financial Services Act 2007 and is regulated by the Financial Services Commission. It also holds an Investment Adviser License (Unrestricted) under Section 30 of the Securities Act 2005.

Its main activity is investment holding and is allowed to provide investment advisory services.

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 31 March 2019 are the first financial statements of the Company prepared under Ind AS. Refer to note 2.25 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.

1.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 2.15.

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

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1.3 Significant accounting policies

Recognition of Interest and Dividend income

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

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

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

1.4 Financial Instruments

1.4.1 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.

1.4.2 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.

1.4.3 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

MUMBAI

Significant accounting policies (continued)

1.5 Classification of financial instruments

1.5.1 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.

1.5.1.1 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.

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Significant accounting policies (continued)

Classification of financial instruments (continued)

1.5.1.2 Investment in equity instruments

Investments in subsidiary companies are carried at cost and are assessed on a regular basis for impairment. Subsidiaries are entities that are controlled by the Company.
All other investment in equity instruments are subsequently measured 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.

1.5.2 Financial liabilities

All financial liabilities are measured at amortised cost.

1.5.2.1 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.

1.5.2.2 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

1.5.3 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.

1.6 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.

1.7 Derecognition of financial assets and financial liabilities

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

The Company derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference recognised as 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.

1.7.2 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.

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

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.

1.7.3 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.

1.8 Impairment of financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, 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. 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.

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Significant accounting policies (continued)
Impairment of financial assets (continued)

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.

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

For financial assets, the 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.

1.9 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

1.10 Determination of fair value

The Company measures financial instruments 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

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

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

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

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

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

1.11 Revenue from contract with customer

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained.

The Company recognises Fee income including advisory fees, over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.

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Significant accounting policies (continued)

1.12 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.

1.13 Foreign currency transactions

Transactions in foreign currencies other than functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
Exchange differences on monetary items are recognised in profit or loss in the period in which they arise

1.14 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.

1.15 Cash and cash equivalents

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

1.16 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.

Significant accounting policies (continued)

1.16 Provisions and other contingent liabilities (continued)

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

1.17 Income tax

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

1.17.1 Current tax

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

1.17.2 Deferred tax

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

Deferred tax assets are also recognised with respect to carry forward 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.

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Significant accounting policies (continued)

1.17 Income tax (continued)

1.17.2 Deferred tax (continued)

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

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

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

1.17.3 Current and deferred tax for the year

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

1.18 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.

1.19 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.

1.19.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups 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. 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

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

1.19.1 Business model assessment (continued)

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.

1.19.2 Significant increase in credit risk

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

1.20 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.

1.20.1 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.

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

1.20.2 Effective interest rate method

The Company's EIR methodology, as explained in Note 1.6.1.1, 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.

1.20.3 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

1.21 Standards issued but not yet effective

1.21.1 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.

1.21.2 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.

1.22 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.

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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.

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EW Special Opportunities Advisors LLC

Notes to the financial statements ***(Continued)***

(Currency : Indian rupees)	**As at 31 March 2019**	As at 31 March 2018	As at 01 April 2017
2.1 Cash and cash equivalents			
Balances with banks			
- in current accounts	**53,19,077**	50,37,850	48,87,048
	53,19,077	50,37,850	48,87,048

2.2 Trade receivables			
Unsecured, considered good	-	26,01,764	25,93,544
	-	26,01,764	25,93,544

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EW Special Opportunities Advisors LLC
Notes to Financial statement (Continued)
(Currency : Indian rupees)

2.2 Trade receivables (continued)

Reconciliation of impralrment allowance on trade receivables:

Particulars	31 March 2019	31 March 2018	01 April 2017 (i.e. 31 March 2017)
Receivables considered good - Unsecured	-	26,01,764	25,93,544
	-	**26,01,764**	**25,93,544**
Less : Allowance for expected credit losses			
	-	**26,01,764**	**25,93,544**

Provision matrix for Trade receivables

	Trade receivables days past due	0-90days	91-180 days	More than 360 days	Total
ECL rate					
31 March 2019	Estimated total gross carrying amount at default	-			-
	Net carrying amount	**-**	**-**	**-**	**-**
31 March 2018	Estimated total gross carrying amount at default	26,01,764			26,01,764
	Net carrying amount	**26,01,764**	**-**	**-**	**26,01,764**
01 April 2017 (i.e. 31 March 2017)	Estimated total gross carrying amount at default	25,93,544			25,93,544
	Net carrying amount	**25,93,544**	**-**	**-**	**25,93,544**

EW Special Opportunities Advisors LLC

Notes to the financial statements *(Continued)*

(Currency : Indian rupees)

	As at 31 March 2019			As at 31 March 2018			As at 01 April 2017		
	Face Value	**Quantity**	**Amount**	Face Value	Quantity	Amount	Face Value	Quantity	Amount
2.3 Investments									
at cost, investment outside India									
Management shares									
EW Special Opportunities Fund LLC*	0.01 USD	999	645	0.01 USD	999	645	0.01 USD	999	648
Class B shares									
EW Special Opportunities Fund LLC*	0.01 USD	12,038	8,327	0.01 USD	12,038	7,830	0.01 USD	12,038	7,805
			8,972			8,475			8,453

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EW Special Opportunities Advisors LLC

Notes to the financial statements *(Continued)*

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
2.4 Other financial assets			
Advances recoverable in cash or in kind or for value to be received	**32,54,871**	-	-
	32,54,871	-	-

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EW Special Opportunities Advisors LLC

Notes to the financial statements *(Continued)*

(Currency : Indian rupees)	**As at 31 March 2019**	As at 31 March 2018	As at 01 April 2017
2.5 Other non-financial assets			
Prepaid expenses	**2,98,388**	2,80,586	2,79,698
	2,98,388	2,80,586	2,79,698

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EW Special Opportunities Advisors LLC

Notes to the financial statements *(Continued)*

(Currency : Indian rupees)

	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
2.6 Trade payables			
Trade payables from non-related parties	**7,46,671**	3,53,288	3,07,602
	7,46,671	3,53,288	3,07,602

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EW Special Opportunities Advisors LLC

Notes to the financial statements *(Continued)*

(Currency : Indian rupees)

		As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
2.7	**Equity share capital**			
	Issued, Subscribed and Paid up:			
	37,313 (Previous year: 37,313) Class A shares of USD 1 each	**17,05,980**	17,05,980	17,05,980
	305,100 (Previous year: 305,100) Class B shares of USD 1 each	**1,95,59,070**	1,95,59,070	1,95,59,070
	100 (Previous year: 100) Class C shares of USD 1 each	**4,477**	4,477	4,477
		2,12,69,527	**2,12,69,527**	**2,12,69,527**

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

	31 March 2019		31 March 2018		01 April 2017	
	No of shares	**Amount**	No of shares	Amount	No of shares	Amount
Class A						
Outstanding at the beginning of the year	**37,313**	**17,05,980**	37,313	17,05,980	37,313	17,05,980
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**37,313**	**17,05,980**	37,313	17,05,980	37,313	17,05,980
Class B						
Outstanding at the beginning of the year	**3,05,100**	**1,95,59,070**	3,05,100	1,95,59,070	3,05,100	1,95,59,070
Issued during the year	-	-	-	-	-	-
As at end of the year	**3,05,100**	**1,95,59,070**	3,05,100	1,95,59,070	3,05,100	1,95,59,070
Class C						
Outstanding at the beginning of the year	**100**	**4,477**	100	4,477	100	4,477
Issued during the year	-	-	-	-	-	-
As at end of the year	**100**	**4,477**	100	4,477	100	4,477

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

Class A Shares

Class A shares represent the management and voting rights of the Company. The holders of Class A shares have a right to vote on a poll at a meeting of shareholders on any resolution, except for Class meetings of Class B and Class C shareholders. The Class A shares does not carry any distribution rights.

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.

Terms /rights attached to class B and class C shares:

Class B and Class C shares are non voting but have a right to receive notice and to vote on a poll at a meeting of Class B and Class C shareholders only in cases where a vote is taken on matters which will vary and affect the rights of Class B and Class C shareholders. The holders of Class B and Class C shares are entitled to distribution (by way of dividend or otherwise) as per their Class A ownership percentage, unless otherwise mutually agreed between the parties in writing.

In the event of liquidation of the Company, the holders of ordinary shares Class B will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

	As at 31 March 2019		As at 31 March 2018		As at 01 April 2017	
	No of shares	**%**	No of shares	%	No of shares	%
Class A shares						
EAAA LLC	**25,000**	**67**	**25,000**	**67**	25,000	67
Omniplus Holdings	**12,313**	**33**	**12,313**	**33**	12,313	33
Class B Shares						
EAAA LLC	**3,05,100**	**100**	**3,05,100**	**100**	3,05,100	100
Class C shares						
Omniplus Holdings	**100**	**100**	**100**	**100**	100	100

2.8	**Other equity**			
	Foreign exchange translation reserve			
	Opening balance	**24,474**	-	32,30,396
	Movement for the year	**37,68,456**	24,474	(32,30,396)
	Closing balance	**37,92,930**	24,474	-
	Surplus in statement of profit and loss			
	Opening balance	**(1,37,18,614)**	(1,38,08,386)	(1,72,15,344)
	Add: Ind AS impact	-	-	32,30,396
	Add: Profit for the year	**(32,09,205)**	89,771	1,76,562
		(1,69,27,820)	(1,37,18,614)	(1,38,08,386)
	Closing balance	**(1,31,34,890)**	**(1,36,94,140)**	**(1,38,08,386)**

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EW Special Opportunities Advisors LLC

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2019	for the year ended 31 March 2018
2.9 Fee income		
Others - advisory fee income	-	25,77,896
	-	25,77,896

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EW Special Opportunities Advisors LLC

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
2.10 Finance costs		
Financial and bank charges	**1,41,966**	1,03,975
	1,41,966	1,03,975

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EW Special Opportunities Advisors LLC

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
2.11 Other expenses		
Auditors' remuneration	**3,33,301**	3,11,281
Directors' sitting fees	**6,60,450**	6,09,028
Legal and professional fees	**10,47,773**	9,65,680
ROC expenses	**2,64,529**	3,26,233
Miscellaneous expenses	**5,85,811**	74,607
Communication	**11,630**	10,724
Secretarial charges	**1,26,239**	52,012
Registered address charges	**37,505**	34,585
	30,67,239	23,84,150

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EW Special Opportunities Advisors LLC
Notes to Financial statement (Continued)
(Currency : Indian rupees)

2.12 Earnings per share

The following table shows the income and share data used in the basic and diluted EPS calculations:

Particulars	**31 March 2019**	**31 March 2018**
Net profit attributable to Shareholders (as per statement of profit and loss)	**(32,09,205)**	**89,771**
Calculation of weighted average number of Class A Shares, with par value of USD 1 each:		
- Number of Class A Shares at the beginning of the year	37,313	37,313
- Number of Class A Shares issued during the year	-	-
Total number of Class A Shares outstanding at the end of the year	37,313	37,313
Weighted average number of Class A Shares outstanding during the year (based on the date of issue of Class A Shares)	37,313	37,313
Basic and diluted earnings per share (in Rupees) (a/b)	**(86.01)**	**2.41**

The basic and diluted earning per shares are the same as there are no dilutive potential ordinary shares

2.13 Segment reporting

The Company has operated only in one business segment during the year viz advisory and consultancy services. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements.

(Currency : Indian rupees)

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

Particulars	31 March 2019	31 March 2018
Current tax	-	-
Total tax charge	-	-
Current tax	-	-
Deferred tax	-	-

Reconciliation of total tax charge

Particulars		31 March 2019	31 March 2018
Accounting profit before tax as per financial statements		(32,09,205)	89,771
Tax rate (in percentage)		15.00%	15.00%
Income tax expense calculated based on this tax rate		(4,81,381)	13,466
Effect of utilisation of tax losses or deferred tax assets on losses earlier recognised now considered not recoverable	A	-	(13,466)
Recognition of available tax credits (for example, Minimum Alternate Tax credit)	B	4,81,381	-
Tax charge for the year recorded in P&L		-	-

Reconciliation of total tax charge

Particulars		31 March 2019	31 March 2018
Accounting profit before tax as per financial statements		(32,09,205)	89,771
Tax rate (in percentage)		-	-
Income tax expense calculated based on this tax rate		-	-
Tax charge for the year recorded in P&L		-	-

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

As at 31 March 2019	Unused tax losses		
Financial Year to which the loss relates to	**Business Loss**		**Total**
	Amount	**Expiry year - financial year**	**Amount**
FY 2018-19	(32,09,205)	FY 2026-27	(32,09,205)
Total	**(32,09,205)**		**(32,09,205)**

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EW Special Opportunities Advisors LLC
Notes to Financial statement (Continued)
(Currency : Indian rupees)

2.15 Maturity analysis of assets and liabilities

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

Particulars	31 March 2019			31 March 2018			01 April 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets		-							
Cash and cash equivalents	53,19,077	-	53,19,077	50,37,850	-	50,37,850	48,87,048	-	48,87,048
Trade receivables	-	-	-	26,01,764	-	26,01,764	25,93,544	-	25,93,544
Investments	-	8,972	8,972	-	8,475	8,475	-	8,453	8,453
Other financial assets	32,54,871	-	32,54,871	-	-	-	-	-	-
	85,73,948	**8,972**	**85,82,920**	**76,39,614**	**8,475**	**76,48,089**	**74,80,592**	**8,453**	**74,89,045**
Non-financial assets									
Other non-financial assets	2,98,388	-	2,98,388	2,80,586	-	2,80,586	2,79,698	-	2,79,698
	2,98,388	-	2,98,388	2,80,586	-	2,80,586	2,79,698	-	2,79,698
Total assets	**88,72,336**	**8,972**	**88,81,307**	**79,20,200**	**8,475**	**79,28,675**	**77,60,290**	**8,453**	**77,68,743**
		-							
	31 March 2019			31 March 2018			01 April 2017		
Particulars	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial liabilities									
Trade payables	7,46,671	-	7,46,671	3,53,288	-	3,53,288	3,07,602	-	3,07,602
	7,46,671	**-**	**7,46,671**	**3,53,288**	**-**	**3,53,288**	**3,07,602**	**-**	**3,07,602**
Total liabilities	**7,46,671**	**-**	7,46,671	**3,53,288**	**-**	**3,53,288**	**3,07,602**	**-**	**3,07,602**

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2.16 Financial Risk Management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

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.

Credit risk

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

The entity is still in the process of getting regulatory licence hence at the reporting date, there was no significant concentration of credit risk. The maximum credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Cash at bank are held with reputable financial institutions.

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. (Refer table no. 2.17)

Market risk

Price risk is the risk that the value of a financial instrument will fluctuate due to change in market prices whether those changes are caused by factors specific to the individual security on its issuer or factors affecting all securities traded in the market. (Refer table no. 2.19)

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.

All the financial assets and liabilities are in Company's functional currency and thus the Company is not exposed to any currency risk.

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Notes to Financial statement (Continued)
(Currency : Indian rupees)

...maining contractual maturities:

Analysis of non-derivative financial liabilities by remaining contractual maturities
The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial liabilities as at 31 March.
Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that the counterparties will not request repayment on the earliest date it could be required to pay

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables					7,46,671						7,46,671
Total undiscounted non-derivative financial liabilities	-	-	-		**7,46,671**	-	-	-	-	-	**7,46,671**

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables			-		3,53,288						3,53,288
Total undiscounted non-derivative financial liabilities	-	-	-	-	**3,53,288**	-	-	-	-	-	**3,53,288**

As at 1 April 2017 (i.e. 31-Mar-2017)	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables					3,07,602						3,07,602
Total undiscounted non-derivative financial liabilities	-	-	-	-	**3,07,602**	-	-	-	-	-	**3,07,602**

B. Analysis of non-derivative financial assets by remaining contractual maturities
The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial assets as at 31 March.

As at 31 March 2019	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	53,19,077	-	-	-	-	-	-	-	-	-	53,19,077
Investments at amortised cost	-	-	-	-	-	-	-	8,972	-	-	8,972
Other financial assets				-	32,54,871	-	-	-		-	32,54,871
Total	**53,19,077**	-	-	-	**32,54,871**	-	-	**8,972**	-	-	**85,82,920**

As at 31 March 2018	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	50,37,850	-	-	-	-		-	-	-		50,37,850
Trade receivables	-	-			26,01,764	-	-	-	-	-	26,01,764
Investments at amortised cost	-	-	-	-	-		-	8,475	-	-	8,475
Total	**50,37,850**	-	-	-	**26,01,764**	-	-	**8,475**	-	-	**76,48,089**

As at 1 April 2017 (i.e. 31-Mar-2017)	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	48,87,048	-	-	-	-	-	-	-	-		48,87,048
Trade receivables	-	-	-	-	25,93,544	-	-	-	-	-	25,93,544
Investments at amortised cost	-	-	-	-	-	-	-	8,453	-	-	8,453
Total	**48,87,048**	-	-	-	**25,93,544**	-	-	**8,453**	-	-	**74,89,045**

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Notes to Financial statement (Continued)
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2.18 Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2019

Particulars	Financial services	Total
Financial assets		
Cash and cash equivalent and other bank balances	53,19,077	53,19,077
Investments	8,972	8,972
Other financial assets	32,54,871	32,54,871
	85,82,920	**85,82,920**
Other Commitments	-	-
Total	**85,82,920**	**85,82,920**

Industry analysis - Risk concentration for 31 March 2018

Particulars	Financial services	Total
Financial assets		
Cash and cash equivalent and other bank balances	50,37,850	50,37,850
Trade and other receivables	26,01,764	26,01,764
Investments	8,475	8,475
	76,48,089	**76,48,089**
Other Commitments	-	-
Total	**76,48,089**	**76,48,089**

Industry analysis - Risk concentration for 01 April 2017 (i.e. 31-Mar-2017)

Particulars	Financial services	Total
Financial assets		
Cash and cash equivalent and other bank balances	48,87,048	48,87,048
Trade and other receivables	25,93,544	25,93,544
Investments	8,453	8,453
	74,89,045	74,89,045
Other Commitments	-	-
Total	**74,89,045**	**74,89,045**

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2.19 Total market risk exposure

Particulars	31 March 2019			31 March 2018			01 April 2017 (i.e. 31 March 2017)		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets									
Cash and cash equivalent and other bank balances	53,19,077	-	53,19,077	50,37,850	-	50,37,850	48,87,048	-	48,87,048
Trade receivables	-	-		26,01,764	-	26,01,764	25,93,544	-	25,93,544
Other financial assets	32,54,871	-	32,54,871	-	-	-	-	-	-
Investment (group co and fund shares)	8,972	-	8,972	8,475	-	8,475	8,453	-	8,453
Total	**85,82,920**	**-**	**85,82,920**	**76,48,089**	**-**	**76,48,089**	**74,89,045**	**-**	**74,89,045**
Liability									
Trade payables	**7,46,671**	-	7,46,671	**3,53,288**	-	3,53,288	**3,07,602**	-	3,07,602
Total	**7,46,671**	**-**	**7,46,671**	**3,53,288**	**-**	**3,53,288**	**3,07,602**	**-**	**3,07,602**

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Notes to Financial statement (Continued)
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2.20 Disclosure related to collateral

Following table sets out availability of Group financial assets to support funding:

Sunday, March 31, 2019	**Pledge as collateral**	**others 1**	**Available as collateral**	**others 2**	**Total carrying amount**
Cash and cash equivalent including bank balance	-	-		53,19,077	53,19,077
Investments	-	-	8,972	-	8,972
Other financial assets	-	-	-	32,54,871	32,54,871
Total assets	**-**	**-**	**8,972**	**85,73,948**	**85,82,920**

Saturday, March 31, 2018	**Pledge as collateral**	**others 1**	**Available as collateral**	**others 2**	**Total carrying amount**
Cash and cash equivalent including bank balance	-	-	-	50,37,850	50,37,850
Trade receivables	-	-	26,01,764	-	26,01,764
Investments	-	-	8,475	-	8,475
Total assets	**-**	**-**	**26,10,239**	**50,37,850**	**76,48,089**

Saturday, April 01, 2017	**Pledge as collateral**	**others 1**	**Available as collateral**	**others 2**	**Total carrying amount**
Cash and cash equivalent including bank balance	-	-	-	48,87,048	48,87,048
Trade receivables	-	-	25,93,544	-	25,93,544
Investments	-	-	8,453	-	8,453
Total assets	**-**	**-**	**26,01,997**	**48,87,048**	**74,89,045**

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

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Notes to Financial statement (Continued)

(Currency : Indian rupees)

2.21 Revenue from contract with customers

Below is the disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:

For the year ended 31 March 2019

Particulars	**Fees and commission income**
Service transferred at a point in time	-
Service transferred over time	
Total revenue from contract with customers	-

For the year ended 31 March 2018

Particulars	**Fees and commission income**
Service transferred at a point in time	25,77,896
Service transferred over time	
Total revenue from contract with customers	25,77,896

2.22 Capital commitments

The Company has Rs. Nil (previous year Rs Nil) capital commitments as at the balance sheet date.

2.23 Contingent liabilities

The Company has Rs. Nil (previous year Rs Nil) contingent liabilities as at the balance sheet date.

2.24 Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company is in the process of applying for regulatory registration and shall maintain minimum networth as prescribed by various regulatory authorities for time to time.

2.25 First-time adoption – mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company is given below as per Ind AS 101.

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.

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Notes to the financial statements *(Continued)*

For the year ended 31 March 2019

(Currency: Indian Rupees)

Accounting estimates

The Company's estimates in accordance with Ind AS at the transition date are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). The same applies to the comparative period presented.

Reconciliation of Total Equity and Total Comprehensive Income for the year ended 31 March 2018 under erstwhile Indian GAAP and Ind AS summarised below:

a) Reconciliation of Total Equity

	As at 31 March 2018	As at 1 April 2017
Total Equity / Shareholders' Funds as per Previous GAAP	**75,75,387**	**74,61,141**
Adjustments:	-	-
Total Equity / Shareholders' Funds as per Ind AS	**75,75,387**	**74,61,141**

b) Reconciliation of Total Comprehensive Income

	For the year ended 31 March 2018
Profit / loss as per as per previous GAAP	**89,771**
Adjustments:	-
Profit as per Ind AS (after tax)	**89,771**
Other Comprehensive Income for the year (net of tax) - Items that will be reclassified to profit or loss	**24,474**
Total Comprehensive Income under Ind AS	**1,14,245**

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Notes to the financial statements *(Continued)*

For the year ended 31 March 2019

(Currency: Indian Rupees)

2.26 These financial statements are Special Purpose Indian Accounting Standards (Ind-AS) Financial Statement prepared for the purpose of preparation of consolidated financial statements for the year ended 31 March 2019 for Edelweiss Financial Service Limited Reporting (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").

2.27 Previous period comparatives

Previous year figures have been regrouped and rearranged whenever necessary.

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
08 May 2019

For and on behalf of the Board of Directors

Director
Mr. Mannish Ajodah

Director
Mr Subhas Lallah

08 May 2019