

Independent Auditors' Report

To the Directors of
Edelweiss Investment Advisors Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Edelweiss Investment Advisors Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing, requires 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.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.



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

Tel.: +91. 22. 4217 3337 | Email: info@ngsco.in


www.ngsco.in

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 Companies Act, 2013 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 2015, and its loss and its cash flows for the year ended on that date.

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


R.P. Soni
Partner
Membership No. 104796
Place: Mumbai
Date: 14 May 2015



Edelweiss Investment Advisors Private Limited

Balance Sheet

(Currency: Indian rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	41,174,896	341,142
Reserves and surplus	2.2	(9,906,493)	(3,879,865)
		<u>31,268,403</u>	<u>(3,538,723)</u>
Non-current liabilities			
Long-term provisions	2.3	45,499	-
Current liabilities			
Short term borrowings	2.4	-	3,236,490
Trade payables		1,715,219	451,265
Other current liabilities	2.5	440	-
		<u>1,715,659</u>	<u>3,687,755</u>
TOTAL		<u><u>33,029,561</u></u>	<u><u>149,032</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.6	34,828	-
Long-term loans and advances	2.7	4,549,850	-
		<u>4,584,678</u>	<u>-</u>
Current assets			
Cash and cash equivalents	2.8	28,236,330	149,032
Short-term loans and advances	2.9	208,553	-
		<u>28,444,883</u>	<u>149,032</u>
TOTAL		<u><u>33,029,561</u></u>	<u><u>149,032</u></u>

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

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
14 May 2015



For and on behalf of the Board of Directors



Nirav Sheth
Director

14 May 2015



Vikram Mehrotra
Director

14 May 2015

Edelweiss Investment Advisors Private Limited

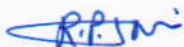
Statement of Profit and Loss

(Currency: Indian rupees)

Particulars	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Income		-	-
Total revenue		<u>-</u>	<u>-</u>
Expenses			
Employee benefit expenses	2.10	450,204	-
Finance costs	2.11	27,971	16,272
Other expenses	2.12	5,595,771	1,723,102
Depreciation	2.6	616	-
Total expenses		<u>6,074,562</u>	<u>1,739,374</u>
Loss before tax		(6,074,562)	(1,739,374)
Tax expense		-	-
Loss for the year		<u>(6,074,562)</u>	<u>(1,739,374)</u>
Earnings per ordinary share:			
Basic and diluted (par value of SGD 1 each)	2.15	(38.43)	(173.94)
Significant accounting policies and notes to the financial statements	1 & 2		

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
14 May 2015

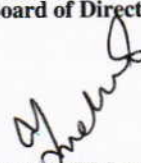


For and on behalf of the Board of Directors



Nirav Sheth
Director

14 May 2015



Vikram Mehrotra
Director

14 May 2015

Edelweiss Investment Advisors Private Limited

Cash Flow Statement

(Currency: Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
A Cash flow from operating activities		
Loss before taxation	(6,074,562)	(1,739,374)
<i>Adjustments</i>		
Depreciation	616	-
Provision for compensated absences	47,393	-
Operating cash flow before working capital changes	(6,026,553)	(1,739,374)
<i>Add / (Less): Adjustments for working capital changes</i>		
Decrease in loans and advances	(4,549,850)	-
Decrease in other current assets	(208,553)	-
Increase / (decrease) in trade payables	1,263,953	(1,660,938)
Increase in current liabilities	440	-
Cash used in operations	(9,520,563)	(3,400,312)
Income taxes paid	-	-
Net cash used in operating activities - A	(9,520,563)	(3,400,312)
B Cash flow from investing activities		
Purchase of fixed assets	(36,871)	-
Net cash used in investing activities - B	(36,871)	-
C Cash flow from financing activities		
Proceeds from unsecured loan	-	3,236,490
Repayment of unsecured loan	(3,236,490)	-
Proceeds from issue of ordinary shares	40,833,754	-
Net cash generated from financing activities - C	37,597,264	3,236,490
D Change in foreign exchange translation reserve - D	47,468	(123,956)
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	28,087,298	(287,778)
Cash and cash equivalents as at the beginning of the year	149,032	436,810
Cash and cash equivalents as at the end of the year (refer note 2.8)	28,236,330	149,032

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
14 May 2015

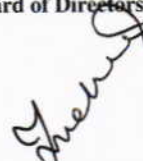


For and on behalf of the Board of Directors



Nirav Sheth
Director

14 May 2015



Vikram Mehrotra
Director

14 May 2015

Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015

(Currency: Indian rupees)

1. Significant accounting policies

1.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter together referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian Rupees.

The entity being a foreign company, the assets and liabilities for the purpose of preparation of these financial statements, are translated into Indian Rupees at the rate of exchange prevailing as at the Balance Sheet date. Further, revenue and expense are translated into Indian Rupees at the average exchange rate prevailing during the year and the resulting net translation adjustment has been disclosed as Foreign Exchange Translation Reserve in Reserves and Surplus. The same is in compliance with Accounting Standard 11 issued by the Institute of Chartered Accountants of India on "The Effects of Changes in Foreign Exchange Rates".

1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities 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 satisfies any of the following criteria:

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

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

1. Significant accounting policies (Continued)

1.3 Current/non-current classification (Continued)

Liabilities

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

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

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

All other liabilities are classified as non-current.

1.4 Revenue recognition

Revenue is recognised on accrual basis of accounting.

1.5 Fixed asset and depreciation

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Class of asset	Life of asset
Office equipments	3 years

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. If such recoverable amount of the asset 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 Taxation

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

Income tax

Provision for income tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the tax laws applicable.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

1. Significant accounting policies (Continued)

1.7 Taxation (Continued)

Deferred taxation

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted by 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 carry forward losses under taxation laws, deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable / probable (as the case may be) to be realised.

1.8 Employee benefits

The accounting policy followed by the company in respect of its employee benefit schemes in accordance with Singapore FRS, which is also in accordance with Accounting Standard 15 (revised 2005), is set out below:

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement as per IAS 19 and AS 15 – Accounting for employee benefits prescribed by the Companies (Accounting Standards) Rules, 2006 based on a valuation by an independent actuary.

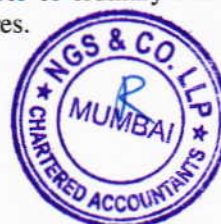
The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of profit and loss

1.9 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share” as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is computed by dividing the net profit after tax attributable to the ordinary shareholders for the year by the weighted average number of ordinary shares outstanding during the year.

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



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 *(continued)*

(Currency: Indian Rupees)

1. Significant accounting policies *(Continued)*

1.10 Provisions and contingencies

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

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

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



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.1 Share capital		
(a) Issued, Subscribed and Paid up:		
900,000 (Previous year: 10,000) Ordinary shares of SGD 1 each, fully paid-up	41,174,896	341,142
	<u>41,174,896</u>	<u>341,142</u>

(The entire Ordinary share capital is held by Edelweiss Capital Singapore Pte. Limited, which in turn is a wholly owned subsidiary of Edelweiss Financial Services Limited.)

	31 March 2015		31 March 2014	
	No of shares	Amount	No of shares	Amount
Outstanding as at the beginning of the year	10,000	341,142	10,000	341,142
Issued during the year	890,000	40,833,754	-	-
Outstanding as at the end of the year	<u>900,000</u>	<u>41,174,896</u>	<u>10,000</u>	<u>341,142</u>

- (c) **Terms/rights attached to Ordinary shares**
The Company has only one class of Ordinary shares having a par value of SGD 1. Each holder of Ordinary shares is entitled to one vote per share held. Dividend declared by the Company, if any, will be paid in Singapore Dollars. 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.

2.2 Reserves and surplus

Foreign exchange translation reserve	(127,025)	(174,959)
Deficit in statement of profit and loss		
Opening balance	(3,704,906)	(1,965,532)
Add: Loss for the year	<u>(6,074,562)</u>	<u>(1,739,374)</u>
Closing balance	<u>(9,779,468)</u>	<u>(3,704,906)</u>
	<u>(9,906,493)</u>	<u>(3,879,865)</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term provisions		
Provision for compensated absences	45,499	-
	<u>45,499</u>	<u>-</u>
2.4 Short-term borrowings (Unsecured and interest free, repayable on demand)		
Loans and advances from related parties	-	3,236,490
	<u>-</u>	<u>3,236,490</u>
2.5 Other current liabilities		
Statutory dues payable	440	-
	<u>440</u>	<u>-</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian rupees)

2.6 Fixed assets

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2014	Additions during the year	Other adjustments	As at 31 March 2015	For the year	Other adjustments	As at 31 March 2015	As at 31 March 2014
Tangible assets								
Office equipments	-	36,871	1,452	35,419	616	25	591	34,828
Grand total	-	36,871	1,452	35,419	616	25	591	34,828
Previous year	-	-	-	-	-	-	-	-



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (*continued*)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.7 Long-term loans and advances		
<i>Unsecured, considered good</i>		
Other deposits	4,549,850	-
	<u>4,549,850</u>	<u>-</u>
2.8 Cash and cash equivalents		
Cash on hand	1,661	-
Balances with banks		
- in current accounts	28,234,669	149,032
	<u>28,236,330</u>	<u>149,032</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (*continued*)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.9 Short-term loans and advances		
Other loans and advances		
Prepaid expenses	37,470	-
Vendor advances	171,083	-
	<u>208,553</u>	<u>-</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.10 Employee benefit expenses		
Salaries and wages	450,204	-
	<u>450,204</u>	<u>-</u>
2.11 Financial costs		
Bank charges	27,971	16,272
	<u>27,971</u>	<u>16,272</u>
2.12 Other expenses		
Accounting services	17,772	71,788
Auditors' remuneration (refer note below)	334,787	287,154
Directors fees	84,780	191,436
Legal and professional fees	4,840,508	1,083,525
Membership and subscription	47,392	-
Miscellaneous expenses	12,859	-
Office expense	10,166	-
Rates and taxes	247,507	89,198
	<u>5,595,771</u>	<u>1,723,102</u>
Note :		
Auditors' Remuneration:		
As auditor	331,747	287,154
For reimbursement of expenses	3,040	-
	<u>334,787</u>	<u>287,154</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statement for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

2.13 Segment reporting

The Company is yet to commence its business activities and hence no disclosures are required under Accounting Standard 17 on Segment Reporting.

2.14 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

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

Edelweiss Capital (Singapore) Pte. Limited	Holding Company
Edelweiss Financial Services Limited	Ultimate Holding Company



Edelweiss Investment Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian rupees)

2.14 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 (continued)

(B) Transactions with related parties:

Sr. No.	Nature of transaction	Related party name	2014-15	2013-14
Capital account transactions during the year				
(I)	Issue of Ordinary shares to	Edelweiss Capital (Singapore) Pte. Limited	40,833,754	-
Current account transactions during the year				
(II)	Short term loans taken from (refer note below)	Edelweiss Capital (Singapore) Pte. Limited	2,914,635	3,264,646
	Short term loans repaid to (refer note below)	Edelweiss Capital (Singapore) Pte. Limited	6,147,457	-
(III) Balances with related parties				
	Short term borrowings from	Edelweiss Capital (Singapore) Pte. Limited	-	3,236,490

Note :

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



Edelweiss Investment Advisors Private Limited

Notes to the financial statement for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

2.15 Earnings per share

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

	For the year ended 31 March 2015	For the year ended 31 March 2014
a) Net profit attributable to ordinary share holders (as per statement of profit and loss)	(6,074,562)	(1,739,374)
b) Calculation of weighted average number of ordinary shares of SGD 1/- each:		
– Number of shares at the beginning of the year	10,000	10,000
– Shares issued during the year (number of shares issued)	8,90,000	-
Total number of ordinary shares outstanding at the end of the year	9,00,000	10,000
Weighted average number of ordinary shares outstanding during the year (based on the date of issue of shares)	158,055	10,000
Nominal value per share in SGD	1	1
c) Basic and diluted earnings per share (in rupees) (a/b)	(38.43)	(173.94)

The basic and diluted earnings per share are the same as there are no dilutive potential ordinary shares.

2.16 The beneficial owner of the Company has confirmed its intention to provide continuing financial support to the Company so as to enable the Company to continue operating in the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.



Edelweiss Investment Advisors Private Limited

Notes to the financial statement for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

2.17 Capital commitments and contingent liabilities

The Company has Rs. Nil (Previous year Rs. Nil) capital commitments and contingent liabilities as at the balance sheet date.

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

14 May 2015



For and on behalf of the Board of Directors



Nirav Sheth
Director

14 May 2015



Vikram Mehrotra
Director

14 May 2015