

Edelweiss Fund Advisors Private Limited

Financial Statements
together with Auditors' Report
for the year ended 31 March 2018

Edelweiss Fund Advisors Private Limited

Financial Statements together with Auditors' Report

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To
The Members of Edelweiss Fund Advisors Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Edelweiss Fund Advisors Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

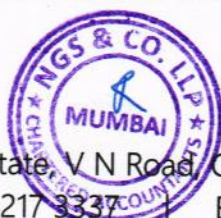
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its loss and its cash flows for the year ended on that date.



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Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company for the current year.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.;
 - e. on the basis of written representations received from the Directors as on 31 March 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



R. P. Soni
Partner
Membership No.:104796



Place: Mumbai
Date: 23 April 2018

Annexure A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Edelweiss Fund Advisors Private Limited ("the Company")** as of 31 March 2018 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



R. P. Soni
Partner
Membership No.: 104796



Place: Mumbai
Date: 23 April 2018

Edelweiss Fund Advisors Private Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	1,250,000	1,250,000
Reserves and surplus	2.2	1,308,972	4,201,237
		2,558,972	5,451,237
Non-current liabilities			
Long-term provisions	2.3	-	35,000
Current liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	2.26	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.4	155,217	102,175
Other current liabilities	2.5	-	380,008
Short-term provisions	2.6	86,569	52,059
TOTAL		2,800,758	6,020,479
ASSETS			
Non-current assets			
Fixed assets			
Property plant and equipment	2.7	-	24
Long-term loans and advances	2.8	-	4,316,961
		-	4,316,985
Current assets			
Current investments	2.9	2,334,166	1,605,140
Cash and cash equivalents	2.10	312,890	90,892
Short-term loans and advances	2.11	153,702	7,462
		2,800,758	1,703,494
TOTAL		2,800,758	6,020,479

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's Registration No.: 119850W



R. P. Soni

Partner

Membership No.: 104796

Mumbai

23 April 2018



For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708

Mumbai

23 April 2018



Sanjay Shah

Director

DIN - 00003142

Mumbai

23 April 2018

Edelweiss Fund Advisors Private Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Other income	2.12	902,777	813,657
Total revenue		902,777	813,657
Expenses			
Employee benefit expenses	2.13	55,637	1,083,459
Finance costs	2.14	6,375	-
Depreciation and amortization expenses	2.7	10	139
Other expenses	2.15	431,525	2,379,193
Total expenses		493,547	3,462,791
Profit/ (loss) before tax		409,230	(2,649,134)
Tax expense:			
Current tax		3,380,689	-
Short provision for taxation for earlier years		-	1,240
MAT credit entitlement		(79,194)	-
Loss for the year		(2,892,265)	(2,650,374)
Earnings per equity share:	2.16		
Basic and diluted (face value of Rs. 10 each)		(23.14)	(21.20)

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's Registration No.: 119850W



R. P. Soni

Partner

Membership No.: 104796



Mumbai
23 April 2018

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708

Mumbai
23 April 2018



Sanjay Shah

Director

DIN - 00003142

Mumbai
23 April 2018

Edelweiss Fund Advisors Private Limited


Cash Flow Statement

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A Cash flow from operating activities		
Profit / (loss) before taxation	409,230	(2,649,134)
Adjustments for		
Depreciation	10	139
Provision for gratuity	(35,000)	8,000
Provision for compensated absences	-	(2,000)
Profit on sale of mutual fund investments	(598,123)	(597,672)
Interest income	(304,654)	(215,985)
Interest expense	6,375	-
Operating cash flow before working capital changes	(522,162)	(3,456,652)
Add / (Less): Adjustments for working capital changes		
(Increase)/decrease in loans and advances	(67,046)	1,820,678
(Decrease) in liabilities and provisions	(345,498)	(245,112)
Cash used in operations	(934,706)	(1,881,086)
Income taxes paid	936,272	(215,985)
Net cash generated/ (used in) operating activities - A	1,566	(2,097,071)
B Cash flow from investing activities		
Purchase of fixed assets	14	-
(Purchase)/ Sale of investments (net)	(130,903)	1,910,999
Interest received	304,654	215,985
Net cash generated from investing activities - B	173,765	2,126,984
C Cash flow from financing activities		
Interest paid	(6,375)	-
Net cash used in financing activities - C	(6,375)	-
Net increase in cash and cash equivalents (A+B+C)	168,956	29,913
Cash and cash equivalent as at the beginning of the year	90,892	60,979
Cash and cash equivalent as at the end of the year (Refer note 2.10)	259,848	90,892

As per our report of even date attached.

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


R. P. Soni
Partner
Membership No.: 104796


Mumbai
23 April 2018



For and on behalf of the Board of Directors


Deepak Maheshwari
Director
DIN - 02601708

Mumbai
23 April 2018


Sanjay Shah
Director
DIN - 00003142

Edelweiss Fund Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2018

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, (hereinafter referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian Rupees.

1.2 Use of estimates

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

1.3 Current – non-current classification

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

Assets

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

Liabilities

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



Edelweiss Fund Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

1. Significant accounting policies

1.4 Revenue recognition

- Interest income is recognised on accrual basis.
- Profit/ loss on sale of investments is recognised on trade date basis. Profit/ loss on sale of investments is determined based on the weighted average cost of the investment sold.

1.5 Fixed assets and depreciation/amortisation

Property plant and equipment

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

As per the requirement of Schedule II of the Act, the Company has evaluated the estimated useful lives of the respective fixed assets which is as per the provisions of Part C of the Schedule for calculating the depreciation. The useful life of the fixed assets is as follows:

Nature of assets	Estimated Useful Life
Office equipments	5 years

1.6 Investments

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

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

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



Edelweiss Fund Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

1. Significant accounting policies

1.7 Impairment of assets

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

1.8 Taxation

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

Current tax

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

Deferred tax

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

1.9 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share”. Basic earnings per share are 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 during the year.

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



Edelweiss Fund Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

1. Significant accounting policies

1.10 Employee benefits

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

Provident fund

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

Gratuity

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

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

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

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

Compensated leave absences

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



Edelweiss Fund Advisors Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other fixed deposits with bank with original maturities of three months or less.

1.12 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 Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
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2.1 Share capital

Authorised :

250,000 (Previous year: 250,000) equity shares of Rs. 10 each	2,500,000	2,500,000
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Issued, Subscribed and Paid up:

125,000 (Previous year: 125,000) equity shares of Rs. 10 each, fully paid-up	1,250,000	1,250,000
	1,250,000	1,250,000

a) Terms/rights attached to equity shares:

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

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

	31 March 2018		31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares:				
Outstanding at the beginning of the year	125,000	1,250,000	125,000	1,250,000
Shares (buy-back) / issued during the year	-	-	-	-
Outstanding at the end of the year	125,000	1,250,000	125,000	1,250,000

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

	31 March 2018		31 March 2017	
	No. of Shares	%	No. of Shares	%
Edelweiss Financial Services Limited and its nominees	50,000	40%	50,000	40%
Crest Ventures limited (formerly known as Sharyans Resources Limited).	50,000	40%	50,000	40%
Atul Ruia	25,000	20%	25,000	20%
	125,000	100%	125,000	100%

2.2 Reserves and surplus

Surplus in the statement of profit and loss

Opening balance	4,201,237	6,851,611
Less : (Loss) for the year	(2,892,265)	(2,650,374)
Closing balance	1,308,972	4,201,237



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	-	35,000
	<u>-</u>	<u>35,000</u>
2.4 Trade payables		
Trade payables		
Others	155,217	102,175
(includes Sundry Creditors, provision for expenses and Customer payables)		
	<u>155,217</u>	<u>102,175</u>
2.5 Other current liabilities		
Other payables*		
Accrued salaries and benefits	-	350,000
Withholding tax, service tax and other taxes payable	-	30,008
* There are Rs. Nil (Previous year: Rs. Nil) amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act 2013 as at the year end.		
	<u>-</u>	<u>380,008</u>
2.6 Short-term provisions		
Provision for employee benefits		
Gratuity	-	51,059
Compensated leave absences	1,000	1,000
Others		
Provision for taxation	85,569	-
	<u>86,569</u>	<u>52,059</u>



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2.7 Fixed assets

Description of Assets	Gross Block				Depreciation			Net Block	
	As at 1 April 2017	Additions during the year	Deductions during the year	As at 31 March 2018	As at 1 April 2017	Additions during the year	Deductions during the year	As at 31 March 2018	As at 31 March 2017
Property plant and equipment									
Office equipment	13,500	-	13,500	-	13,476	10	13,486	-	24
Total	13,500	-	13,500	-	13,476	10	13,486	-	24
Previous year	13,500	-	-	13,500	13,337	139	-	13,476	24



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.8 Long-term loans and advances		
(Unsecured ,considered good)		
Other loans and advances		
Advance income tax	-	4,316,961
	-	4,316,961



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2018		As at 31 March 2017	
	Quantity	Amount	Quantity	Amount
2.9 Current Investment				
Others Investments (unquoted)				
Investment in Mutual Funds				
Reliance Liquid Fund - Treasury Plan - Institutional Option - Growth Plan	414.06	1,750,000	392.04	1,020,974
Religare Ultra Short Term Fund - Regular Growth	482.25	584,166	482.25	584,166
	896.31	2,334,166	874.09	1,605,140
Aggregate value of investments in Mutual funds (Unquoted)				
At Carrying value		2,334,166		1,605,140
At Net asset value		2,832,132		2,565,143



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.10 Cash and cash equivalents		
Balances with banks		
- in current accounts	312,890	90,892
	<u>312,890</u>	<u>90,892</u>
2.11 Short-term loans and advances (Unsecured, considered good)		
Other loans and advances		
Prepaid expenses	2,524	7,462
Input tax credits	71,984	-
MAT credit entitlement	79,194	-
	<u>153,702</u>	<u>7,462</u>



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.12 Other income		
Profit on sale of current investment	598,123	597,672
Interest income - others	304,654	215,985
	902,777	813,657
2.13 Employee benefit expenses		
Salaries and wages	50,941	1,070,088
Contribution to provident and other funds	1,200	1,200
Staff welfare expenses	3,496	12,171
	55,637	1,083,459
2.14 Finance costs		
Interest on shortfall in payment of advance income tax	6,375	-
	6,375	-
2.15 Other expenses		
Auditors' remuneration (refer note below)	49,275	353,240
Communication	-	48,000
Computer expenses	25,500	-
Clearing and custodian charges	46,020	-
Electricity charges	20,400	-
Legal and professional fees	108,991	8,811
Rates and taxes	3,940	2,855
Rent	175,848	-
Service tax expenses	536	1,920,385
Travelling and conveyance	-	32,400
Miscellaneous expenses	1,015	13,502
	431,525	2,379,193
Note :		
Auditors' remuneration:		
As auditor	40,000	310,000
For reimbursement of expenses	9,275	43,240
	49,275	353,240



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.16 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 Rule 7 of the Companies (Accounts) Rules 2014, the computation of earnings per share is set out below.

	2018	2017
A Net amount attributable to the equity shareholders (as per statement of profit and loss)	(2,892,265)	(2,650,374)
B Calculation of weighted average number of Equity Shares of Rs. 10 each		
- Number of shares at the beginning of the year	125,000	125,000
- Number of shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	125,000	125,000
Weighted average number of equity shares outstanding during the year	125,000	125,000
C Basic and diluted earnings per share (in Rupees) (A/B)	(23.14)	(21.20)

The basic and diluted earnings per share are the same as there is no dilutive/potential equity shares issued.

2.17 Segment reporting

The Company has operated only in one business segment during the year viz. capital based business comprising of trading and investment activities. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements. Since business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.18 Disclosure as required by Accounting Standard 18 - Related Party Disclosure

i. List of related parties and relationship:

A. Enterprises which exercise significant influence over the Company:

Edelweiss Financial Services Limited

B. Subsidiaries of Enterprises which exercise significant influence over the Company (Edelweiss Financial Services Limited) with whom transactions have taken place:

Edelweiss Business Services Limited (Formerly Edelweiss Web Services Limited)

Edelweiss Commodities Services Limited

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2017-18	2016-17
Current account transactions				
1	Reimbursements paid to	Edelweiss Financial Services Limited	-	97,056
		Edelweiss Commodities Services Limited	97,719	56,079
		Edelweiss Business Services Limited	10,485	6,300
2	Cost reimbursements paid to	Edelweiss Financial Services Limited	3,497	8,926
		Edelweiss Commodities Services Limited	196,248	-
		Edelweiss Business Services Limited	87,000	-
3	Processing fees paid to	Edelweiss Business Services Limited	-	2,500
4	Legal and professional fees	Edelweiss Business Services Limited	107,989	811
Balances with related parties				
5	Trade payables to	Edelweiss Business Services Limited	87,000	3,478



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

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

A) Defined contribution plan (Provident fund)

An amount of Rs. 25,717 (Previous year: Rs. 31,754) is recognised as expense and included in "Employee benefit expenses" – Note 2.13 in the statement of profit and loss.

B) Defined benefit plan (Gratuity):

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

Net employee benefit expenses

	31 March 2018	31 March 2017
Current service cost	-	16,000
Interest on defined benefit obligation	-	1,559
Actuarial (gain) or losses	-	41,500
Total included in 'Employee benefit expense'	-	59,059

Changes in the present value of the defined benefit obligation are as follows.

	31 March 2018	31 March 2017
Liability at the beginning of the year	86,059	27,000
Transfer in/(out)	(86,059)	-
Interest cost	-	1,559
Current service cost	-	16,000
Actuarial (gain)/loss on obligations	-	41,500
Liability at the end of the year	-	86,059

Amount recognised in the Balance Sheet:

Particulars	2018	2017	2016	2015	2014
Liability at the end of the year	-	86,060	27,000	7,000	2,000
Amount recognized in Balance Sheet - Assets/(Liability)	-	86,059	27,000	7,000	2,000

2.20 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (continued)

Experience adjustment:

Particulars	2018	2017	2016	2015	2014
On Plan Liabilities: (Gain)/ Loss	-	41,500	13,000	3,000	1,000

Principle actuarial assumptions at the balance sheet date:

	31 March 2018	31 March 2017
Discount rate	-	6.6%
Salary escalation rate	-	7%
Employees attrition rate	-	13% - 60%



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.21 Contingent liabilities & commitments

The Company has no capital commitment and contingent liabilities as at the balance sheet date (Previous year: Rs. Nil). The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

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

2.23 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016 pursuant to Notification No. G.S.R. 308(E) dated 30 March 2017: AS at 31 March 2018

Particulars	Specified bank notes *	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Not Applicable	Not Applicable	Not Applicable
(+) Permitted receipts			
(-) Permitted payments			
(-) Amount deposited in Banks			
Closing cash in hand as on 30.12.2016			

2.24 Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016 pursuant to Notification No. G.S.R. 308(E) dated 30 March 2017: AS at 31 March 2017

Particulars	Specified bank notes *	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

*For the purpose of this clause, the term Specified Bank Notes (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407(E), dated the 8th November, 2016.

2.25 Previous year comparatives

Previous year's numbers have been regrouped and rearranged wherever necessary to confirm to current year's presentation.



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

2.26 Details of dues to micro enterprise and small enterprise:

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

As per report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No.: 119850W



R. P. Soni

Partner

Membership No: 104796

Mumbai

23 April 2018



For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708

Mumbai

23 April 2018



Sanjay Shah

Director

DIN-00003142