

Edelweiss Fund Advisors Private Limited

Financial Statements
together with Auditors' Report
for the year ended 31 March 2015

Edelweiss Fund Advisors Private Limited

Financial Statements together with Auditors' Report

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B S R & Associates LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of Edelweiss Fund Advisors Pvt Limited

Report on the financial statements

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

Management's responsibility for 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 thereunder.

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



Independent Auditors' Report (Continued)

Edelweiss Fund Advisors Pvt Limited

Auditor's responsibility (Continued)

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

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

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



Independent Auditors' Report (Continued)
Edelweiss Fund Advisors Pvt Limited

Report on Other Legal and Regulatory Requirements (Continued)

- e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its financial statements.
 - 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 B S R & Associates LLP
Chartered Accountants

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



N. Sampath Ganesh
Partner

Membership No: 042554

Mumbai
13 May 2015

Edelweiss Fund Advisors Private Limited

Annexure to the Independent Auditors' Report 31 March 2015

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii. The company is a service company primarily providing advisory services. Accordingly, paragraph 3 (ii) of the Order is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. .
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to the purchase of fixed assets and sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 73 to section 76 or other relevant provisions of the Act and rules framed there under apply.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income-tax, service tax and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax, sales tax, duty of customs, duty of excise, value added tax and cess. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, excise duty and other material statutory dues were in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, wealth tax, excise duty and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
(c) According to the information and explanations given to us, there are no dues of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder which is required to be transferred.

Edelweiss Fund Advisors Private Limited

Annexure to the Independent Auditors' Report 31 March 2015 **(Continued)**

- viii. The Company has no accumulated losses as at the end of the financial year which are more than fifty percent of its net worth. The company has incurred cash losses of Rs.805,642 during the year and Rs.969,961 in the immediately preceding financial year.
- ix. The Company did not have any outstanding dues to any financial institution, bank or debenture holder during the year.
- x. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions. Thus, paragraph 3 (x) of the order is not applicable.
- xi. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company did not have any term loans and hence, Paragraph 3 (xi) of the Order is not applicable.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For B S R & Associates LLP
Chartered Accountants

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



N. Sampath Ganesh
Partner

Membership No: 042554

Mumbai
13 May 2015

Edelweiss Fund Advisors Private Limited

Balance Sheet

as at 31 March 2015

(Currency : Indian Rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	1,250,000	1,250,000
(b) Reserves and surplus	2.2	8,105,316	8,910,958
		<u>9,355,316</u>	<u>10,160,958</u>
Non-current liabilities			
Long-term provisions	2.3	8,000	2,000
Current liabilities			
(a) Trade payables	2.4	268,459	225,352
(b) Other current liabilities	2.5	394,152	322,641
(c) Short-term provisions	2.6	1,000	349,844
TOTAL		<u><u>10,026,927</u></u>	<u><u>11,060,795</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	2.7		
Tangible assets		702	7,314
(b) Non-current investments	2.8	109,600	109,600
(c) Deferred tax assets (Net)	2.9	-	887
(d) Long-term loans and advances	2.10	5,890,117	5,913,766
		<u>6,000,419</u>	<u>6,031,567</u>
Current assets			
(a) Current investments	2.11	3,887,253	4,776,262
(b) Cash and cash equivalents	2.12	136,332	251,644
(c) Short-term loans and advances	2.13	2,923	1,322
		<u>4,026,508</u>	<u>5,029,228</u>
TOTAL		<u><u>10,026,927</u></u>	<u><u>11,060,795</u></u>

Significant accounting policies and notes to the financial statements

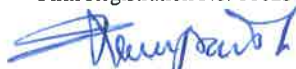
1 & 2

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W / W-100024



N Sampath Ganesh

Partner

Membership No: 042554

Mumbai

13 May 2015

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708



Sanjay Shah

Director

DIN - 00003142

Mumbai

13 May 2015

Edelweiss Fund Advisors Private Limited

Statement of Profit and Loss

for the year ended 31 March 2015

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations		-	-
Other income	2.14	581,303	294,375
Total revenue		<u>581,303</u>	<u>294,375</u>
Expenses			
Employee benefit expenses	2.15	1,009,093	876,924
Finance costs	2.16	219	130
Depreciation and amortization expenses	2.7	6,612	1,249
Other expenses	2.17	369,064	386,684
Total expenses		<u>1,384,988</u>	<u>1,264,987</u>
Loss before tax		(803,685)	(970,612)
Tax expense:			
Current tax		1,070	-
Deferred tax		887	(651)
Loss for the year		<u>(805,642)</u>	<u>(969,961)</u>
Earnings per equity share:	2.20		
Basic and diluted (face value of Rs. 10 each)		(6.45)	(7.76)

Significant accounting policies and notes to the financial statements

1 & 2

As per our report of even date attached.

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



N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
13 May 2015

For and on behalf of the Board of Directors



Deepak Maheshwari
Director
DIN - 02601708

Mumbai
13 May 2015



Sanjay Shah
Director
DIN - 00003142

Edelweiss Fund Advisors Private Limited

Cash Flow Statement

for the year ended 31 March 2015

(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	(803,685)	(970,612)
Adjustments for		
Depreciation	6,612	1,249
Provision for gratuity	5,000	1,000
Provision for compensated absences	1,000	1,000
Profit on sale of mutual fund investments	(270,991)	(281,874)
Interest income	(310,312)	-
Interest expense	219	130
Operating cash flow before working capital changes	(1,372,157)	(1,249,107)
Add / (Less): Adjustments for working capital changes		
Increase in loans and advances	(36,524)	(35,663)
Increase / (decrease) in liabilities and provisions	114,618	(1,099,373)
Cash used in operations	(1,294,063)	(2,384,143)
Income taxes paid	(291,342)	(4,824)
Net cash used in operating activities - A	(1,585,405)	(2,388,967)
B Cash flow from investing activities		
Sale of investments	1,160,000	2,500,000
Interest received	310,312	-
Net cash generated from investing activities - B	1,470,312	2,500,000
C Cash flow from financing activities		
Proceeds from unsecured loan	-	285,556
Repayment of unsecured loan	-	(285,556)
Interest paid	(219)	(130)
Net cash used in financing activities - C	(219)	(130)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(115,312)	110,903
Cash and cash equivalent as at the beginning of the year	251,644	140,741
Cash and cash equivalent as at the end of the year (Refer note 2.12)	136,332	251,644

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W / W-100024



N Sampath Ganesh

Partner

Membership No: 042554

Mumbai

13 May 2015

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708



Sanjay Shah

Director

DIN - 00003142

Mumbai

13 May 2015

Edelweiss Fund Advisors Private Limited

Notes to the financial statements

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.

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 on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current or 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.

Liabilities

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

- a) It is expected to be settled in the company's normal operating cycle.
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within 12 months after the reporting date; or
- d) 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.



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (*continued*)

1.4 *Revenue recognition*

- Revenue from fund management services is recognised in accordance with the terms and conditions of the investment management agreement between the Company and the Fund for which the Company acts as a fund manager.
- Interest income is recognised on accrual basis.
- Dividend income is recognised when right to receive dividend is established.
- Profit earned on sale of investments is recognised on a trade date basis. Profit/ loss on sale of investments is determined based on weighted average cost of investments sold.

1.5 *Fixed assets and depreciation*

Tangible fixed assets

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

Nature of assets	Useful Life
Office equipments	5 years

Intangible fixed assets

Intangibles such as software is amortised over a period of 3 years or its estimated useful life.

1.6 *Investments*

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

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

Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each investment. In case of investment in 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 (*continued*)

1.7 *Impairment of assets*

The Company assesses at each balance sheet date whether there is any indication that an asset maybe 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.

1.8 *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:

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 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 & loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

1.9 *Taxation*

Income-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 credit (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 taking credit for allowances and exemptions in accordance with the tax laws applicable.



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (*continued*)

1.9 *Taxation (continued)*

Deferred tax

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 carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain, as the case may be, to be realised.

1.10 *Earnings per share*

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share” notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. 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 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.

1.11 *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 2015	As at 31 March 2014
2.1 Share capital		
Authorised :		
250,000 (Previous year: 250,000) equity shares of Rs. 10 each	2,500,000	2,500,000
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 2015		31 March 2014	
	No. of Shares	Amount	No. of Shares	Amount
<i>Equity shares:</i>				
Outstanding at the beginning of the year	125,000	1,250,000	125,000	1,250,000
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	125,000	1,250,000	125,000	1,250,000

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

	31 March 2015		31 March 2014	
	No. of Shares	%	No. of Shares	%
Edelweiss Financial Services Limited and its nominees	50,000	40%	50,000	40%
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

Opening Balance surplus in statement of profit and loss	8,910,958	9,880,919
Add: Loss for the year	(805,642)	(969,961)
	8,105,316	8,910,958



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	7,000	2,000
Compensated leave absences	1,000	-
	<u>8,000</u>	<u>2,000</u>
2.4 Trade payables		
Trade payables	268,459	225,352
(includes sundry creditors and provision for expenses)		
	<u>268,459</u>	<u>225,352</u>
2.5 Other current liabilities		
Other payables		
Accrued salaries and benefits	348,067	291,067
Withholding tax, service tax and other taxes payable	46,085	31,574
	<u>394,152</u>	<u>322,641</u>
2.6 Short-term provisions		
Provision for employee benefits		
Compensated leave absences	1,000	1,000
Others		
Provision for taxation (Net of advance tax Rs. Nil; Previous year Rs. 6,145,941)	-	348,844
	<u>1,000</u>	<u>349,844</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 2014	Additions during the year	Deductions during the year	As at 31 March 2015	As at 1 April 2014	Additions during the year	Deductions during the year	As at 31 March 2015	As at 31 March 2014
Tangible assets									
Office equipments	13,500	-	-	13,500	6,186	6,612	-	12,798	7,314
Total	13,500	-	-	13,500	6,186	6,612	-	12,798	7,314
Previous Year	13,500	-	-	13,500	4,937	1,249	-	6,186	7,314

Note

As per the requirement of the Companies Act, 2013, the Company has evaluated the useful lives of its fixed assets and has computed depreciation according to the provisions of Schedule II of the Act. Consequently, in the Statement of profit and loss of the Company, the depreciation charge for the year ended 31 March 2015 is higher by Rs. 5,536.



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

As at
31 March 2015

As at
31 March 2014

2.8 Non-current investments

Long-term investments (at cost unless otherwise stated)

Others (unquoted)	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in venture funds	1	109,600	109,600	1	109,600	109,600
		109,600	109,600		109,600	109,600
Aggregate of unquoted investments			109,600			109,600
Book value						



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.9 Deferred taxes		
Tax effect of timing differences on account of:		
Disallowances under section 43B of the Income Tax Act, 1961	-	974
	-	974
Tax effect of timing differences on account of:		
Difference between book and tax depreciation	-	87
	-	87
	-	887
2.10 Long-term loans and advances		
Other loans and advances		
Advance income tax (Net of provision for taxation Rs. 176,322; Previous year Rs. 769,138)	4,102,216	4,160,788
Input tax credit	1,787,901	1,752,978
	5,890,117	5,913,766



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015			As at 31 March 2014		
2.11 Current investments						
Others investments (unquoted)	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in mutual funds						
Reliance Liquid Fund - Treasury Plan - Institutional Option - Growth Plan	1,000	2,604	3,303,087	1,000	1,500	3,905,827
Religare Ultra Short Term Fund - Regular Growth	1,000	482	584,166	1,000	719	870,435
		3,086	3,887,253		2,219	4,776,262
Aggregate of unquoted investments			3,887,253			4,776,262
Book value			5,194,983			5,896,412
Net asset value						



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.12 Cash and cash equivalents		
Balances with banks		
- in current accounts	136,332	251,644
	<u>136,332</u>	<u>251,644</u>
2.13 Short-term loans and advances		
Other loans and advances		
Prepaid expenses	2,923	1,322
	<u>2,923</u>	<u>1,322</u>



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.14 Other income		
Profit on sale of current investment	270,991	281,874
Miscellaneous income	-	12,501
Interest income - others	310,312	-
	581,303	294,375
2.15 Employee benefit expenses		
Salaries and wages	1,008,095	871,999
Contribution to provident and other funds	998	-
Staff welfare expenses	-	4,925
	1,009,093	876,924
2.16 Finance costs		
Interest on loan from holding company	-	130
Financial & Bank charges	219	-
	219	130
2.17 Other expenses		
Auditors' remuneration (refer note below)	272,500	265,000
Communication	29,905	33,500
Dematerialisation charges	22,500	-
Insurance	7,969	1,479
Legal and professional fees	13,030	(4,150)
Office expenses	-	2,291
Printing and stationery	14,824	22,516
Rates and taxes	6,822	2,618
ROC Expenses	1,514	-
Travelling and conveyance	-	61,400
Miscellaneous expenses	-	2,030
	369,064	386,684
Note:		
Auditors' remuneration:		
As auditor	250,000	250,000
For reimbursement of expenses	22,500	15,000
	272,500	265,000



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (*continued*)

(Currency: Indian Rupees)

2.18 *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)

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

i. List of related parties and relationship:

Enterprises which exercise significant influence over the Company:	Edelweiss Financial Services Limited - Associate
Subsidiaries of associate (Edelweiss Financial Services Limited) with whom transactions have taken place:	Edelweiss Web Services Limited Edelweiss Commodities Services Limited

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	2014-15	2013-14
Current account transactions				
1	Short term loans taken from	Edelweiss Financial Services Limited	-	285,556
2	Short term loans repaid to	Edelweiss Financial Services Limited	-	285,556
3	Reimbursements paid to	Edelweiss Financial Services Limited	63,502	178,772
		Edelweiss Commodities Services Limited	600	-
4	Interest expenses on loan from	Edelweiss Financial Services Limited	-	130
5	Cost reimbursements paid to	Edelweiss Financial Services Limited	8,816	-
		Edelweiss Web Services Limited	1,230	-
Balances with related parties				
6	Trade payables to	Edelweiss Financial Services Limited	9,906	-
		Edelweiss Web Services Limited	1,259	-
		Edelweiss Commodities Services Limited	600	-



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.20 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.

	2015	2014
A Net amount attributable to the equity shareholders (as per statement of profit and loss)	(805,642)	(969,961)
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 period	125,000	125,000
C Basic and diluted earnings per share (in Rupees) (A/B)	(6.45)	(7.76)

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

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

A) 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.

Statement of profit and loss

Net employee benefit expenses

	31 March 2015	31 March 2014
Current service cost	2,000	1,000
Interest on defined benefit obligation	-	-
Actuarial (gain) or losses	3,000	-
Total included in 'Employee benefit expense'	(5,000)	(1,000)

Balance Sheet

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

	31 March 2015	31 March 2014
Liability at the beginning of the year	2,000	1,000
Interest cost	-	-
Current service cost	2,000	1,000
Actuarial (gain)/loss on obligations	3,000	-
Liability at the end of the year	7,000	2,000



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

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

Amount recognised in the Balance Sheet:

Particulars	2015	2014	2013	2012	2011
Liability at the end of the year	7,000	2,000	1,000	209,324	148,830
Amount recognized in Balance Sheet - Assets/(Liability)	7,000	2,000	1,000	209,324	148,830

Experience adjustment:

Particulars	2015	2014	2013	2012	2011
On Plan Liabilities: (Gain)/ Loss	3,000	1,000	(224,042)	(363,319)	(258,321)

Principle actuarial assumptions at the balance sheet date:

	31 March 2015	31 March 2014
Discount rate	7.80%	8.70%
Salary escalation rate	7%	6%
Employees attrition rate	13 - 60%	13 - 60%

2.22 Contingent liabilities & commitments

The Company has no capital commitments and contingent liabilities as at the balance sheet date (Previous year: Nil).

2.23 Details of dues to micro, small and medium enterprises

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 B S R & Associates LLP

Chartered Accountants

Firm Registration No. 116231W / W-100024



N. Sampath Ganesh

Partner

Membership No: 042554

Mumbai

13 May 2015

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708

Mumbai

13 May 2015



Sanjay Shah

Director

DIN - 00003142