

Allium Finance Private Limited

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

Allium Finance 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	68,257,240	68,257,240
Reserves and surplus	2.2	618,609,805	618,062,621
		<u>686,867,045</u>	<u>686,319,861</u>
Non-current liabilities			
Long-term provisions	2.3	184,500	64,386
Current liabilities			
Trade payables		1,263,037	744,370
Other current liabilities	2.4	1,117,943	1,103,393
Short-term provisions	2.5	40,855,985	40,294,549
TOTAL		<u><u>730,288,510</u></u>	<u><u>728,526,559</u></u>
ASSETS			
Non-current assets			
Non-current investments	2.6	262,701,538	255,000,000
Deferred tax assets	2.7	13,474,148	13,622,983
Long-term loans and advances	2.8	179,992,501	215,881,504
		<u>456,168,187</u>	<u>484,504,487</u>
Current assets			
Cash and cash equivalents	2.9	20,683,998	50,236,994
Short-term loans and advances	2.10	250,851,550	193,216,795
Other current assets	2.11	2,584,775	568,282
		<u>274,120,323</u>	<u>244,022,071</u>
TOTAL		<u><u>730,288,510</u></u>	<u><u>728,526,559</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



For and on behalf of the Board of Directors



Pawan Agarwal
Director
DIN: 01056455



Samir Doshi
Director
DIN: 02020452



Bhavesh Singh
Company secretary

Mumbai
14 May 2015

Mumbai
14 May 2015

Allium Finance Private Limited

Statement of profit and loss

(Currency: Indian rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations			
Interest income	2.12	6,553,793	4,887,619
Total revenue		<u>6,553,793</u>	<u>4,887,619</u>
Expenses			
Employee benefit expenses	2.13	2,675,942	2,136,140
Finance costs	2.14	140	2,684
Other expenses	2.15	2,571,760	41,545,266
Total expenses		<u>5,247,842</u>	<u>43,684,090</u>
Profit/(loss) before tax		1,305,951	(38,796,471)
Tax expense			
Income tax (includes reversal of excess provision for earlier years of Rs 3,068 (previous year Rs. Nil))		609,932	100,000
Deferred tax		148,835	(13,271,154)
Profit/(loss) for the year		<u>547,184</u>	<u>(25,625,317)</u>
Earnings per equity share:	2.18		
Basic		0.32	(14.78)
Diluted		0.08	(3.75)

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



For and on behalf of the Board of Directors



Pawan Agarwal
Director
DIN: 01056455



Samir Doshi
Director
DIN: 02020452



Bhavesh Singh
Company secretary

Mumbai
14 May 2015

Mumbai
14 May 2015

Allium Finance 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		
Profit/(loss) before taxation	1,305,951	(38,796,471)
<i>Adjustments for</i>		
Provision for gratuity	46,614	16,000
Provision for compensated absences	11,000	(21,000)
Provision for standard assets	75,000	(1,000,000)
Provision for non-performing asset	-	40,000,000
Interest expense	-	2,094
Interest income on fixed deposit	(1,710,806)	(4,887,115)
Operating cash flow before working capital changes	(272,241)	(4,686,492)
<i>Adjustments for working capital changes</i>		
Increase in receivable from financing business	(30,000,000)	-
Increase in other assets	(2,477,222)	(134,191)
Increase in current liabilities and provisions	533,217	149,196
Cash used in operations	(32,216,246)	(4,671,487)
Income tax refund received/(paid)	8,328,007	(9,272,004)
Net cash used in operating activities - A	(23,888,238)	(13,943,491)
B Cash flow from investing activities		
Purchase of non-current investments	(10,000,000)	-
Proceeds from redemption of non current investments	2,298,462	-
Interest received on fixed deposit	2,036,781	4,715,788
Net cash (used in) / generated from investing activities - B	(5,664,757)	4,715,788
C Cash flow from financing activities		
Interest paid	-	(2,094)
Net cash used in financing activities - C	-	(2,094)
Net decrease in cash and cash equivalents (A+B+C)	(29,552,996)	(9,229,797)
Cash and cash equivalent as at the beginning of the year	50,236,994	59,466,793
Cash and cash equivalent as at the end of the year (refer note 2.9)	20,683,998	50,236,994

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



For and on behalf of the Board of Directors

Pawan Agarwal
Director
DIN: 01056455

Samir Doshi
Director
DIN: 02020452


Bhavesh Singh
Company secretary

Mumbai
14 May 2015

Mumbai
14 May 2015

Allium Finance 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 and circulars and guidelines issued by the Reserve Bank of India ('RBI'). The financial statements are presented in Indian rupees.

The Company being a NBFC registered with RBI follows the guidelines issued by the RBI, in respect of income recognition, provisioning for non-performing assets and valuation of investments.

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.



Allium Finance Private Limited

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

(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:

- 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.

1.4 Revenue recognition

- a) Interest income is recognised on accrual basis except in case of Non Performing Assets, which is recognised on receipt basis, as per the RBI guidelines.
- b) Dividend income is recognised when the right to receive payment is established.
- c) Profit/loss earned on sale of investments is recognised on trade date basis and is determined based on the weighted average cost of the investments sold.

1.5 Provisioning on advances

Provision for non performing assets is based on the management's assessment of the degree of impairment of the loan asset and the level of provisioning required as per the prudential norms prescribed by the RBI.

Provision for standard assets is being made on the basis of prudential norms laid down by the RBI.

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.



Allium Finance Private Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2015

(Currency: Indian rupees)

1. Significant accounting policies (*continued*)

1.7 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 other than diminution in value which is 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 investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

1.8 Taxation

Tax expense comprises income tax (i.e. amount of tax for the period determined in accordance with the Income-Tax Act, 1961) and 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.

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 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 reasonable/virtually certain (as the case may be) to be realised.



Allium Finance Private Limited

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

(Currency: Indian rupees)

1. Significant accounting policies (*continued*)

1.9 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 benefits 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. This 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 carried out by an independent actuary using the Projected Unit Credit Method which recognizes 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 are recognised immediately in the statement of profit and loss.

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 AS 15 – Accounting for employee benefits based on a valuation by an independent actuary.

1.10 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.



Allium Finance Private Limited

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

(Currency: Indian rupees)

1. Significant accounting policies (*continued*)

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.



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.1 Share capital

(a) Authorised :

2,100,000 (Previous year: 2,100,000) Equity shares of Rs. 10 each
55,00,000 (Previous year: 55,00,000) Preference shares of Rs. 10 each

As at
31 March 2015

As at
31 March 2014

21,000,000
55,000,000

21,000,000
55,000,000

76,000,000

76,000,000

(b) Issued, subscribed and paid up:

1,734,339 (Previous year: 1,734,339) Equity Shares of Rs. 10 each, fully paid-up
5,091,385 (Previous year: 5,091,385) 0.01% - Compulsorily Convertible Non-cumulative Preference Shares - "Series A" of Rs. 10 each, fully paid up

17,343,390

17,343,390

50,913,850

50,913,850

68,257,240

68,257,240

(c) The movement in share capital during the year :

(i) Equity shares

	31 March 2015		31 March 2014	
	No of shares	Amount	No of shares	Amount
Share capital at the beginning of the year	1,734,339	17,343,390	1,734,339	17,343,390
Share capital issued during the year	-	-	-	-
Share capital at the end of the year	1,734,339	17,343,390	1,734,339	17,343,390

(ii) 0.01% - Compulsorily Convertible Non- cumulative Preference Shares - "Series A"

	31 March 2015		31 March 2014	
	No of shares	Amount	No of shares	Amount
Share capital at the beginning of the year	5,091,385	50,913,850	5,091,385	50,913,850
Share capital issued during the year	-	-	-	-
Share capital at the end of the year	5,091,385	50,913,850	5,091,385	50,913,850

(d) Details of equity shareholders holding more than 5% shares in the Company:

Edelweiss Commodities Services Limited
RMS Automation Systems Limited
EW India Special Assets Fund Pte. Limited
EW India Special Assets Fund LLC

	31 March 2015		31 March 2014	
	No of shares	% holding in the class	No of shares	% holding in the class
Edelweiss Commodities Services Limited	800,000	46%	800,000	46%
RMS Automation Systems Limited	800,000	46%	800,000	46%
EW India Special Assets Fund Pte. Limited	134,339	8%	-	-
EW India Special Assets Fund LLC	-	-	134,339	8%
	1,734,339	100%	1,734,339	100%

(e) Details of preference shareholders holding more than 5% shares in the Company:

0.01% Compulsorily Convertible Non- cumulative Preference Shares - "Series A"

Edelcap Securities Limited
EW India Special Assets Fund Pte. Limited
EW India Special Assets Fund LLC

	31 March 2015		31 March 2014	
	No of shares	% holding in the class	No of shares	% holding in the class
Edelcap Securities Limited	991,056	19%	991,056	19%
EW India Special Assets Fund Pte. Limited	4,100,329	81%	-	-
EW India Special Assets Fund LLC	-	-	4,100,329	81%
	5,091,385	100%	5,091,385	100%

(f) Terms/rights attached to Equity Shares

The Company has only one class of equity shares having par value of Rs 10 per share. 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.

(g) Terms/rights attached to 0.01% - Compulsorily Convertible Non- cumulative Preference Shares - "Series A" (CCPS-A)

The preference shares of the face value of Rs. 10 each were issued at the rate of Rs. 125 per share. The preference shares are compulsorily convertible and carry a non-cumulative dividend of 0.01%.
During the term of the CCPS- A, the shareholder can convert any or all the CCPS-A into 1 equity share of Rs. 10 each.
1,44,224 preference shares were allotted on 7 February 2012. The shares remaining outstanding as at 31 January 2022, shall be compulsorily converted into 1 equity share of Rs. 10 each.
4,947,161 preference shares were allotted on 13 December 2012. The shares remaining outstanding as at 31 December 2022, shall be compulsorily converted into 1 equity share of Rs. 10 each.

2.2 Reserves and surplus

Securities premium account - Opening balance
Add : Additions during the year
Closing balance

624,808,260
-
624,808,260

624,808,260
-
624,808,260

Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934, of India - Opening balance (*)
Add : Additions during the year
Closing Balance

3,775,936
109,437
3,885,373

3,775,936
-
3,775,936

Deficit in statement of profit and loss

Opening balance

Add: Profit for the year

Amount available for appropriation

Appropriations:

Transfer to Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934

Closing balance

(10,521,575)
547,184
(9,974,391)
109,437
(10,083,828)
618,609,805

15,103,741
(25,625,317)
(10,521,575)
-
(10,521,575)
618,062,621

(*) Represents reserve created @ 20% of the profit after tax for the year as per the provisions of section 45-IC of the Reserve Bank of India Act, 1934.



Allium Finance 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 employee benefits		
Gratuity (Refer note 2.33)	101,000	57,386
Compensated leave absences	16,000	7,000
Others		
Provision for standard assets	67,500	-
	<u>184,500</u>	<u>64,386</u>



Allium Finance 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
2.4 Other current liabilities		
Accrued salaries and benefits	1,080,352	480,000
Withholding tax, service tax and other statutory dues	36,823	100,453
Book overdraft	-	513,208
Others	768	9,732
	<u>1,117,943</u>	<u>1,103,393</u>
2.5 Short-term provisions		
Provision for employee benefits		
Gratuity (Refer note 2.33)	16,000	13,000
Compensated leave absences	4,000	2,000
Provision for standard assets	7,500	-
Provision for non performing assets	40,000,000	40,000,000
Provision for taxation	828,485	279,549
[Net of advance tax and tax deducted at source Rs.17,748,214 (Previous year Rs.9,086,778)]		
	<u>40,855,985</u>	<u>40,294,549</u>



Allium Finance 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		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
2.6 Non-current investments - at cost						
I. Others (unquoted)						
Investments in Security Receipts						
- EARC - SAF 1 -Trust	1,000	255,000	255,000,000	1,000	255,000	255,000,000
- EARC - SAF 2 -Trust	770	10,000	7,701,538	-	-	-
			<u>262,701,538</u>			<u>255,000,000</u>
Aggregate of unquoted investment						
- At book value			262,701,538			255,000,000



Allium Finance 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 Deferred tax assets		
Disallowances under section 43B of the Income Tax Act, 1961	45,296	26,983
Provision for non-performing assets and standard assets	13,249,997	13,596,000
Others	178,855	-
	<u>13,474,148</u>	<u>13,622,983</u>
2.8 Long-term loans and advances		
<u>Secured</u>		
Receivable from financing business		
- considered good	27,000,000	-
- considered non performing asset	<u>152,700,000</u>	<u>207,200,000</u>
	179,700,000	207,200,000
<u>Unsecured, Considered good</u>		
Advance tax and tax deducted at source	292,501	8,681,504
[Net of provision for taxation Rs.503,610 (previous year Rs.603,610)]	<u>179,992,501</u>	<u>215,881,504</u>
2.9 Cash and cash equivalents		
- in current accounts	516,901	17,561
- in fixed deposits with maturity less than 3 months	<u>20,167,097</u>	<u>50,219,433</u>
	20,683,998	50,236,994



Allium Finance 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
2.10 Short-term loans and advances		
<u>Secured</u>		
Receivable from financing business		
- considered good	3,000,000	-
- considered non performing asset	247,300,000	192,800,000
	<u>250,300,000</u>	<u>192,800,000</u>
Other loans and advances		
Prepaid expenses	10,960	5,090
Loans and advances to employees	8,538	10,000
Cenvat and VAT assets	532,052	401,705
	<u>250,851,550</u>	<u>193,216,795</u>
2.11 Other current assets		
Accrued interest on fixed deposits	242,308	568,282
Accrued interest on loans given	2,342,467	-
	<u>2,584,775</u>	<u>568,282</u>



Allium Finance 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
2.12 Interest income		
On loans	4,842,467	-
On fixed deposits	1,710,806	4,887,115
On others	520	504
	<u>6,553,793</u>	<u>4,887,619</u>



Allium Finance 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
2.13 Employee benefit expenses		
Salaries and wages	2,623,855	2,133,541
Contribution to provident and other funds	26,516	-
Staff welfare expenses	25,571	2,599
	<u>2,675,942</u>	<u>2,136,140</u>
2.14 Finance costs		
Interest - others	-	2,094
Bank charges	140	590
	<u>140</u>	<u>2,684</u>



Allium Finance 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
2.15 Other expenses		
Advertisement and business promotion	-	6,223
Auditors' remuneration (refer note below)	171,000	180,450
Computer expenses	1,235	-
Clearing and custodian charges	25,035	20,000
Electricity charges (refer note 2.34)	81,859	77,124
Insurance	3,821	6,247
Legal and professional fees	1,131,293	342,382
Membership and subscription	28,000	-
Office expenses	3,550	2,542
Postage and courier	260	-
Printing and stationery	5,328	2,927
Provision for standard assets	75,000	(1,000,000)
Provision for non performing asset	-	40,000,000
Rates and taxes	3,822	2,618
Rent (refer note 2.34)	661,247	780,450
ROC expenses	12,870	450
Service tax expenses	130,186	142,352
Stamp duty	-	110
Travelling and conveyance	223,054	981,391
Miscellaneous expenses	14,200	-
	2,571,760	41,545,266
Note:		
Auditors' remuneration:		
As auditor	46,000	40,000
For other services	125,000	140,450
	171,000	180,450



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.16 Segment reporting

The Company is into business of financing, and accordingly it operates in one segment only. Hence, no segmental disclosure is separately required to be made under Accounting Standard 17 on "Segment Reporting".

2.17 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

(i) Names of related parties which exercise significant influence over the Company

Edelweiss Commodities Services Limited
RMS Automation Systems Limited

(ii) Holding company of the entity which exercise significant influence over the Company

Edelweiss Financial Services Limited, the holding company of Edelweiss Commodities Services Limited



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.17 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)

(iii) Transactions with related parties:

Sr. No.	Nature of transaction	Related party name	2014-15	2013-14
(I) Current account transactions during the year				
	Loans taken from	Edelweiss Commodities Services Limited	113,000	792,038
	Loans repaid to	Edelweiss Commodities Services Limited	113,000	792,038
	Interest paid on loans taken from	Edelweiss Commodities Services Limited	-	2,094
	Cost reimbursements paid to	Edelweiss Financial Services Limited	22,100	-
		Edelweiss Commodities Services Limited	743,106	857,574
	Reimbursements paid to	Edelweiss Financial Services Limited	357,043	9,025,441
(II) Balances with related parties				
	Trade payables to	Edelweiss Financial Services Limited	60,520	-
		Edelweiss Commodities Services Limited	832,833	-



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.18 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:

	For the year ended 31 March 2015	For the year ended 31 March 2014
a) Net amount attributable to equity shareholders (as per statement of profit and loss)	547,184	(25,625,317)
Calculation of weighted average number of equity shares of Rs 10 each:		
– Number of shares at the beginning of the year	1,734,339	1,734,339
– Shares issued during the year (number of shares issued)	-	-
Total number of equity shares outstanding at the end of the year	1,734,339	1,734,339
b) Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	1,734,339	1,734,339
c) Number of dilutive potential equity shares	5,091,385	5,091,385
d) Basic earnings per share (in rupees) (a/b)	0.32	(14.78)
e) Diluted earnings per share (in Rupees) {a / (b+c)}	0.08	(3.75)

The Company has issued compulsorily convertible non-cumulative preference shares which have been considered for the purpose of computing diluted earnings per share.



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.19 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Figures are as at 31 March 2015)

(Amount in Rs Lakhs)

	Amount Outstanding	Amount Overdue
Liabilities side :		
Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(1)	-	-
(a) Debentures : Secured	-	-
: Unsecured		
(other than falling within the meaning of public deposits *)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-Corporate Loans and Borrowing	-	-
(e) Commercial Paper	-	-
(f) Other Loans:	-	-
(g) Loan from holding company	-	-
(* Please see Note 1 below)		
Amount Outstanding		
Assets side :		
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		4,300
(b) Unsecured		-
(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease		-
(b) Operating Lease		-
(ii) Stock on hire including hire charges under sundry debtors:		-
(a) Assets on Hire		-
(b) Repossessed Assets		-
(iii) Hypothecation loans counting towards EL / HP activities :		-
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.19 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Figures are as at 31 March 2015) (continued)

(Amount in Rs Lakhs)

		Amount Outstanding
(4)	Break-up of Investments	
	Current Investments:	
	1. <u>Quoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. <u>Unquoted</u> :	-
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (Debt instruments)	-
	Long Term investments :	
	1. <u>Quoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	2. <u>Unquoted</u> :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others (securities receipts issued by trusts)	2,627.02
(5)	Borrower group-wise classification of all assets financed as in (2) and (3) above: (Please see Note 2 below)	
	Category	Amount (net of provisions)
		Secured Unsecured Total
	1. Related Parties**	
	(a) Subsidiaries	- - -
	(b) Companies in the same group	- - -
	(c) Other related parties	- - -
	2. Other than related parties	3,900 - 3,900
	Total	3,900 - 3,900



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.19 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. (Figures are as at 31 March 2015) (continued)

(Amount in Rs Lakhs)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) (Please see Note 3):		
Category	Market value / Break-up or fair value or NAV	Book value (net of provisions)
I. Related parties**		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,627.02	2,627.02
Total	2,627.02	2,627.02
** As per Accounting Standard of ICAI (Please see Note 3)		
(7) Other information		
Particulars	Amount	
(i) Gross Non-Performing Assets		
(a) Related Party	-	
(b) Other than Related Parties	4,000	
(ii) Net Non-Performing Assets		
(a) Related Party	-	
(b) Other than Related Parties	3,600	
(iii) Assets acquired in satisfaction of debts	-	

Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in(4) above.



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.20 Capital to Risk Assets Ratio (CRAR)

		2015	2014
i)	CRAR (%)	96.79%	102.55%
ii)	CRAR - Tier I capital (%)	96.78%	102.55%
iii)	CRAR - Tier II Capital (%)	0.01%	0.00%
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

2.21 Investments

(Rs in Lakhs)

		2015	2014
1)	Value of investments		
i	Gross value of investments		
	a) In India	2,627.02	2,550.00
	b) Outside India	-	-
ii	Provisions for depreciation		
	a) In India	-	-
	b) Outside India	-	-
iii	Net value of investments		
	a) In India	2,627.02	2,550.00
	b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments		
I	Opening balance	-	-
ii	Add : Provisions made during the year	-	-
iii	Less : write-off / write-back of excess provisions during the year	-	-
Iv	Closing balance	-	-



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.22 Exposure to real estate sector, both direct and indirect

(Rs in Lakhs)

			2015	2014
A	Direct Exposure			
	(i)	Residential mortgages -	-	-
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	-	-
		- Individual housing loans up to Rs. 15 Lakh	-	-
		- Individual housing loans above Rs. 15 Lakh	-	-
	(ii)	Commercial real estate -		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.	4,300	4,000
		Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
		- Residential	-	-
		- Commercial real estate	-	-
B	Indirect exposure			
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.23 Movements in Non Performing Advances:

The following table sets forth, for the periods indicated, the details of movement of gross Non-performing assets (NPAs), net NPAs and provision

(Rs in Lakhs)

		2015	2014
i	Net NPAs to Net advances (%)	92.31%	100.00%
ii	Movement of NPAs (Gross)		
	a) Opening Balance	4,000	-
	b) Additions during the year	-	4,000
	c) Reductions during the year	-	-
	d) Closing balance	4,000	4,000
iii	Movement of NPAs (Net)		
	a) Opening Balance	3,600	-
	b) Additions during the year	-	3,600
	c) Reductions during the year	-	-
	d) Closing balance	3,600	3,600
iv	Movement of Provisions for NPAs (excluding provision on Standard assets)		
	a) Opening Balance	400	-
	b) Additions during the year	-	400
	c) Reductions during the year	-	-
	d) Closing balance	400	400

2.24 Details of 'Provisions and Contingencies'

(Rs in Lakhs)

		2015	2014
i)	Provisions for depreciation on Investment	-	-
ii)	Provision towards NPA	400.00	400.00
iii)	Provision made towards Income tax	8.28	2.80
iv)	Provision for standard assets	0.75	-
v)	Other provision and contingencies		
	Provision for gratuity	1.17	0.70
	Provision for compensated absences	0.20	0.09



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.25 Concentration of Deposits, Advances, Exposures and NPAs

(Rs in Lakhs)

A)	Concentration of advances	
	Total Advances to twenty largest borrowers	4,300
	% of Advances to twenty largest borrowers to total advances	100%
B)	Concentration of exposures	
	Total Exposures to twenty largest borrowers / Customers	4,300
	% of Exposures to twenty largest borrowers / Customers to total advances	100%
C)	Concentration of NPAs	
	Total exposures to top four NPAs	4,000
D)	Sector-wise NPAs	
		% of NPAs to Total Advances in that sector
1	Agriculture and allied activities	0%
2	MSME	0%
3	Corporate borrowers	100%
4	Services	0%
5	Unsecured personal loans	0%
6	Auto loans	0%
7	Other personal loans	0%



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.26 Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31 March 2015 (Rs in Lakhs)

	1 day to 30/31 days (One month)	Over One month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	30.00	-	-	135.00	4,135.00	-	4,300.00
Investments	-	-	-	-	-	2,550.00	77.02	-	2,627.02
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

2.27 Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company:

RBI circular no. DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014 on Revised Regulatory Framework for NBFCs is applicable to the Non-Banking Financial Companies from the date of Circular (the applicable date). The provisions of the said circular including provisions on compliance with single borrower limit and borrower group limit are therefore applicable to the Company from the applicable date. The loans and advances and investment outstanding as on 31 March 2015, were made by the Company before the applicable date and since there is no change / movement in the said details after the applicable date, the disclosure of compliance with single borrower limit and borrower group limit are not made in the financial statements.

2.28 Capital market exposure

The Company did not have any capital market exposure as at 31 March 2015 and 31 March 2014.



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.29 Customer complaints

		2015
(a)	No. of complaints pending at the beginning of the year	-
(b)	No. of complaints received during the year	-
(c)	No. of complaints redressed during the year	-
(d)	No. of complaints pending at the end of the year	-

2.30 Details of dues to micro, medium and small 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.

2.31 Capital commitment and contingent liability

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

2.32 Foreign currency

The Company has not earned/ incurred any income/ expenditure in foreign currency during the year (previous year Nil).

2.33 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits

A) Defined contribution plan (provident fund):

Amount of Rs. 26,516 (previous year: Rs.Nil) is recognised as expenses and included in "Employee benefit expenses".

B) Defined benefit plan (Gratuity):

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



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.33 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits (continued)

Statement of profit and loss

Net employee benefit expenses (recognized in employee cost)

	2014-15	2013-14
Current service cost	23,000	16,000
Interest on defined benefit obligation	6,000	4,000
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognized in the year	-	-
Past service cost	-	-
Actuarial (gain) or losses	23,000	5,000
Total included in 'Employee benefit expense'	52,000	25,000

Balance Sheet

Details of provision for gratuity

	As at 31 March 2015	As at 31 March 2014
Liability at the end of the year	117,000	70,386

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

	As at 31 March 2015	As at 31 March 2014
Liability at the beginning of the year	70,386	54,386
Transfer in / (out)	(5,386)	(9,000)
Interest cost	6,000	4,000
Current service cost	23,000	16,000
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	23,000	5,000
Liability at the end of the year	117,000	70,386



Allium Finance Private Limited

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

(Currency: Indian rupees)

2.33 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits (continued)

Principal actuarial assumptions at the balance sheet date:

	As at 31 March 2015	As at 31 March 2014
Discount rate	7.80%	8.70%
Salary escalation	7%	6%
Employee attrition rate	13%-25%	13%-25%

Experience Adjustment :

Particulars	2015	2014	2013	2012
On Plan Liabilities: (Gain)/ Loss	13,000	9,000	(32,000)	43,312

2.34 Cost Sharing

Edelweiss Securities Limited, being the entity exercising significant influence over the Company along with its fellow subsidiaries and its Holding Company incurs expenditure like rent, electricity expenditure etc. which is for the benefit of the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, time spent by employees for other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads in Notes 2.15 include reimbursements paid based on management's best estimate.

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



For and on behalf of the Board of Directors



Pawan Agarwal

Director

DIN: 01056455

Samir Doshi

Director

DIN: 02020452



Bhavesh Singh

Company secretary

Mumbai

14 May 2015

Mumbai

14 May 2015