

Edelweiss Fund Advisors Private Limited

Financial Statements
together with Auditors' Report
for the year ended 31 March 2016

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Edelweiss Fund Advisors Private Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Edelweiss Fund Advisors Private Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2016, 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 standalone 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 standalone 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 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 standalone 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 Auditor's Report (Continued)

Edelweiss Fund Advisors Private 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.

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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 2016, and its loss and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 (the 'Order') 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. 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 standalone financial statements 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 the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;



Independent Auditor's Report (*Continued*)

Edelweiss Fund Advisors Private Limited

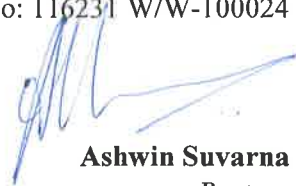
Report on other legal and regulatory requirements (Continued)

- 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 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



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

Date: 03 March 2016

Edelweiss Fund Advisors Private Limited

Annexure - A to the Independent Auditor's Report of even date on the standalone financial statements of Edelweiss Fund Advisors Private Limited

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 2016 in conjunction with our audit of the standalone 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditor's 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 and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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.



Edelweiss Fund Advisors Private Limited

Annexure - A to the Independent Auditor's Report of even date on the standalone financial statements of Edelweiss Fund Advisors Private Limited (*Continued*)

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.

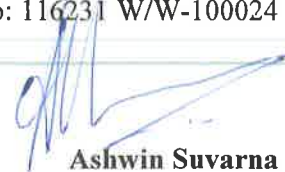
Opinion

In our opinion, 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 2016, 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 issued by the ICAI.

For B S R & Associates LLP

Chartered Accountants

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



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

Date : 03 MAY 2016

Edelweiss Fund Advisors Private Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	1,250,000	1,250,000
(b) Reserves and surplus	2.2	6,851,611	8,105,316
		8,101,611	9,355,316
Non-current liabilities			
Long-term provisions	2.3	28,000	8,000
Current liabilities			
(a) Trade payables	2.4	370,550	268,459
(b) Other current liabilities	2.5	407,804	394,152
(c) Short-term provisions	2.6	2,000	1,000
TOTAL		8,909,965	10,026,927
ASSETS			
Non-current assets			
(a) Fixed assets	2.7		
Tangible assets		163	702
(b) Non-current investments	2.8		109,600
(c) Long-term loans and advances	2.9	5,926,949	5,890,117
		5,927,112	6,000,419
Current assets			
(a) Current investments	2.10	2,918,467	3,887,253
(b) Cash and cash equivalents	2.11	60,979	136,332
(c) Short-term loans and advances	2.12	3,407	2,923
		2,982,853	4,026,508
TOTAL		8,909,965	10,026,927
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



Ashwin Suvarna

Partner

Membership No: 109503

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708



Sanjay Shah

Director

DIN - 00003142

Mumbai

03 MAY 2016

Mumbai

03 MAY 2016

Edelweiss Fund Advisors Private Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2016	For the year ended 31 March 2015
Other income	2.13	331,214	581,303
Total revenue		331,214	581,303
Expenses			
Employee benefit expenses	2.14	1,015,132	1,009,093
Depreciation and amortization expenses	2.7	539	6,612
Other expenses	2.15	569,248	369,283
Total expenses		1,584,919	1,384,988
Loss before tax		(1,253,705)	(803,685)
Tax expense:			
Current tax			1,070
Deferred tax			887
Loss for the year		(1,253,705)	(805,642)
Earnings per equity share:	2.18		
Basic and diluted (face value of Rs. 10 each)		(10.03)	(6.45)

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


Ashwin Suvarna

Partner

Membership No: 109503

Mumbai


03 MAY 2016

For and on behalf of the Board of Directors


Deepak Maheshwari

Director

DIN - 02601708


Sanjay Shah

Director

DIN - 00003142

Mumbai

03 MAY 2016

Edelweiss Fund Advisors Private Limited

Cash Flow Statement

(Currency : Indian rupees)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A Cash flow from operating activities		
Loss before taxation	(1,253,705)	(803,685)
Adjustments for		
Depreciation	539	6,612
Provision for gratuity	20,000	5,000
Provision for compensated absences	1,000	1,000
Profit on sale of mutual fund investments	(331,214)	(270,991)
Provision for diminution in the value of non current investment	109,600	-
Interest income	-	(310,312)
Operating cash flow before working capital changes	(1,453,780)	(1,372,376)
Add / (Less): Adjustments for working capital changes		
Increase in loans and advances	(37,316)	(36,524)
Increase in liabilities and provisions	115,743	114,618
Cash used in operations	(1,375,353)	(1,294,282)
Income taxes paid	-	(291,342)
Net cash used in operating activities - A	(1,375,353)	(1,585,624)
B Cash flow from investing activities		
Sale of investments	1,300,000	1,160,000
Interest received	-	310,312
Net cash generated from investing activities - B	1,300,000	1,470,312
Net decrease in cash and cash equivalents (A+B)	(75,353)	(115,312)
Cash and cash equivalent as at the beginning of the year	136,332	251,644
Cash and cash equivalent as at the end of the year (Refer note 2.11)	60,979	136,332

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W / W-100024

Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

03 MAY 2016

For and on behalf of the Board of Directors



Deepak Maheshwari

Director

DIN - 02601708

Mumbai

03 MAY 2016



Sanjay Shah

Director

DIN - 00003142

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), (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 generally accepted accounting principles 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 (continued)

1.4 Revenue recognition

- Revenue from rendering of trustee 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 trustee. The amount recognised as revenue is exclusive of service tax.
- 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

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 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 (continued)

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 (continued)

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.

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 2016	As at 31 March 2015
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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 2016		31 March 2015	
	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

	31 March 2016		31 March 2015	
	No. of Shares	%	No. of Shares	%
c) Details of shares held by shareholders holding more than 5% of the aggregate shares of the Company:				
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

Opening balance in statement of profit and loss	8,105,316	8,910,958
Less : Loss for the year	(1,253,705)	(805,642)
Closing balance in statement of profit and loss	6,851,611	8,105,316



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	27,000	7,000
Compensated leave absences	1,000	1,000
	<u>28,000</u>	<u>8,000</u>
2.4 Trade payables		
Trade payables (includes sundry creditors and provision for expenses)	370,550	268,459
	<u>370,550</u>	<u>268,459</u>
2.5 Other current liabilities		
Other payables		
Accrued salaries and benefits	357,067	348,067
Withholding tax, service tax and other taxes payable	50,737	46,085
	<u>407,804</u>	<u>394,152</u>
2.6 Short-term provisions		
Provision for employee benefits		
Compensated leave absences	2,000	1,000
	<u>2,000</u>	<u>1,000</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 2015	Additions during the year	Deductions during the year	As at 31 March 2016	As at 1 April 2015	Additions during the year	As at 31 March 2016	As at 31 March 2015
Tangible assets								
Office equipment	13,500	-	-	13,500	12,798	539	13,337	702
Total	13,500	-	-	13,500	12,798	539	13,337	702
Previous Year	13,500	-	-	13,500	6,186	6,612	12,798	702



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2016			As at 31 March 2015		
2.8 Non-current investments						
Others (unquoted)	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investment in venture fund	1	109,600	109,600	1	109,600	109,600
Less :- Provision for diminution			(109,600)			-
					109,600	109,600



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
2.9 Long-term loans and advances (Unsecured ,considered good)		
Other loans and advances		
Advance income tax	4,102,216	4,102,216
Input tax credit	1,824,733	1,787,901
	5,926,949	5,890,117



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
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2.10 Current investments (at lower of cost and fair value)

Others Investments (unquoted)	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investment in Mutual Funds						
Reliance Liquid Fund - Treasury Plan - Institutional Option - Growth Plan	1,000	896	2,334,301	1,000	2,604	3,303,087
Religare Ultra Short Term Fund - Regular Growth	1,000	482	584,166	1,000	482	584,166
		1,378	2,918,467		3,086	3,887,253
Aggregate value of investments in Mutual funds (Unquoted)						
At Carrying value			2,918,467			3,887,253
At Net asset value			4,247,702			5,194,983



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	As at 31 March 2016	As at 31 March 2015
2.11 Cash and cash equivalents		
Balances with banks		
- in current accounts	60,979	136,332
	<u>60,979</u>	<u>136,332</u>
2.12 Short-term loans and advances (Unsecured, considered good)		
Other loans and advances		
Prepaid expenses	3,407	2,923
	<u>3,407</u>	<u>2,923</u>



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency : Indian rupees)

	For the year ended 31 March 2016	For the year ended 31 March 2015
2.13 Other income		
Profit on sale of current investment	331,214	270,991
Interest income - others	-	310,312
	<u>331,214</u>	<u>581,303</u>
2.14 Employee benefit expenses		
Salaries and wages	981,881	1,008,095
Contribution to provident and other funds	21,100	998
Staff welfare expenses	12,151	-
	<u>1,015,132</u>	<u>1,009,093</u>
2.15 Other expenses		
Auditors' remuneration (refer note below)	415,000	272,500
Communication	26,833	29,905
Dematerialisation charges	(22,500)	22,500
Diminution in value of non-current investments	109,600	-
Insurance	-	7,969
Legal and professional fees	33,380	13,030
Printing and stationery	2,335	14,824
Rates and taxes	4,580	6,822
Filing expenses	-	1,514
Miscellaneous expenses	20	219
	<u>569,248</u>	<u>369,283</u>
Note :		
Auditors' remuneration:		
As auditor	400,000	250,000
For reimbursement of expenses	15,000	22,500
	<u>415,000</u>	<u>272,500</u>



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.16 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.

2.17 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
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	2015-16	2014-15
Current account transactions				
1	Reimbursements paid to	Edelweiss Financial Services Limited	72,744	63,502
		Edelweiss Commodities Services Limited	-	600
		Edelweiss Web Services Limited	5,700	-
2	Cost reimbursements paid to	Edelweiss Financial Services Limited	12,474	8,816
		Edelweiss Web Services Limited	3,019	1,230
3	Processing fees paid to	Edelweiss Financial Services Limited	2,180	-
Balances with related parties				
4	Trade payables to	Edelweiss Financial Services Limited	-	9,906
		Edelweiss Web Services Limited	2278	1,259
		Edelweiss Commodities Services Limited	-	600



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (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.

	2016	2015
A Net amount attributable to the equity shareholders (as per statement of profit and loss)	(1,253,705)	(805,642)
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)	(10.03)	(6.45)

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

2.19 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 2016	31 March 2015
Current service cost	6,000	2,000
Interest on defined benefit obligation	1000	-
Actuarial (gain) or losses	13,000	3,000
Total included in 'Employee benefit expense'	20,000	5,000

Balance Sheet

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

	31 March 2016	31 March 2015
Liability at the beginning of the year	7,000	2,000
Interest cost	1000	-
Current service cost	6,000	2,000
Actuarial (gain)/loss on obligations	13,000	3,000
Liability at the end of the year	27,000	7,000



Edelweiss Fund Advisors Private Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

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

Amount recognised in the Balance Sheet:

Particulars	2016	2015	2014	2013	2012
Liability at the end of the year	27,000	7,000	2,000	1,000	209,324
Amount recognized in Balance Sheet - Assets/(Liability)	27,000	7,000	2,000	1,000	209,324

Experience adjustment:

Particulars	2016	2015	2014	2013	2012
On Plan Liabilities: (Gain)/ Loss	13,000	3,000	1,000	(224,042)	(363,319)

Principle actuarial assumptions at the balance sheet date:

	31 March 2016	31 March 2015
Discount rate	7.40%	7.80%
Salary escalation rate	7%	7%
Employees attrition rate	13% - 60%	13% - 60%

2.21 Contingent liabilities & commitments

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

2.22 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

Ashwin Suvarna

Partner

Membership No: 109503

Mumbai

03 MAY 2016

For and on behalf of the Board of Directors

Deepak Maheshwari

Director

DIN - 02601708

Mumbai

03 MAY 2016

Sanjay Shah

Director

DIN-00003142