

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Edelweiss Holdings Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Edelweiss Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 the Financial Statements

2. 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 to 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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 auditors' 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.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Edelweiss Holdings Limited

Report on the Financial Statements for the year ended March 31, 2018

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7. 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

8. 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 March 31, 2018, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 12, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Edelweiss Holdings Limited

Report on the Financial Statements for the year ended March 31, 2018

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- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigations as at March 31 2018 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018 .
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountant



Sharad Agarwal
Partner
Membership Number : 118522

Mumbai
April 30, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Edelweiss Holdings Limited on the financial statements for the year ended March 31, 2018

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Edelweiss Holdings Limited on the financial statements for the year ended March 31, 2018

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Meaning of Internal Financial Controls Over Financial Reporting

6. 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

7. 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

8. 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Sharad Agarwal
Partner
Membership Number 118522

Mumbai
April 30, 2018

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Holdings Limited on the financial statements as of and for the year ended March 31, 2018

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- (i) The Company does not own any fixed asset. Therefore, the provisions of Clause 3(i) of the said Order are not applicable to the Company.
- (ii) The Company is in the business of investing, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, which have not been deposited on account of any dispute.
- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Edelweiss Holdings Limited on the financial statements as of and for the year ended March 31, 2018

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- (xi) The Company has not paid/ provided managerial remuneration and accordingly compliance in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act is not applicable.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Mumbai
April 30, 2018

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants



Sharad Agarwal
Partner

Membership Number : 118522

Edelweiss Holdings Limited

Balance Sheet

(Currency: Indian rupees)

EQUITY AND LIABILITIES

Shareholders' funds

- (a) Share capital
(b) Reserves and surplus

Current liabilities

- (a) Trade payables
(i) total outstanding dues of micro enterprises and small enterprises
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises
(b) Other current liabilities
(c) Short-term provisions

TOTAL

ASSETS

Non-current assets

- (a) Deferred tax assets
(b) Long-term loans and advances

Current assets

- (a) Cash and bank balances
(b) Short-term loans and advances
(c) Other current assets

TOTAL

Note	As at 31 March 2018	As at 31 March 2017
2.1	150,000,000	150,000,000
2.2	11,734,799	5,396,711
	<u>161,734,799</u>	<u>155,396,711</u>
2.17	-	-
2.3	282,527	212,422
2.4	25,893	43,243
2.5	245,438	356,582
	<u>553,858</u>	<u>612,247</u>
	<u>162,288,657</u>	<u>156,008,958</u>
	<u>162,288,657</u>	<u>156,008,958</u>
2.6	258,336	460,534
2.7	3,997	-
	<u>262,333</u>	<u>460,534</u>
2.8	161,380,438	154,796,334
2.9	-	93,251
2.10	645,886	658,839
	<u>162,026,324</u>	<u>155,548,424</u>
	<u>162,288,657</u>	<u>156,008,958</u>
	<u>162,288,657</u>	<u>156,008,958</u>

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm's Registration No: 012754N / N500016



Sharad Agarwal
Partner

Membership No: 118522

Mumbai
30 April 2018

For and on behalf of the Board of Directors



Rajesh Save
Director

DIN: 02602353



Deepak Maheshwari
Director

DIN: 02601708



Jaswin Mehta
Chief Financial Officer

Mumbai
30 April 2018



Ganesha Umashankar
Company Secretary

Edelweiss Holdings Limited

Statement of Profit and Loss

(Currency: Indian rupees)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations			
Interest income	2.11	9,342,590	10,201,883
Total revenue		<u>9,342,590</u>	<u>10,201,883</u>
Expenses			
Finance costs	2.12	31,003	83,088
Other expenses	2.13	632,320	664,641
Total expenses		<u>663,323</u>	<u>747,729</u>
Profit before tax		8,679,267	9,454,154
Tax expense:			
(1) Current tax		2,138,981	2,793,775
(2) Deferred tax		202,198	153,511
Profit for the year		<u>6,338,088</u>	<u>6,506,868</u>
Earnings per equity share:			
Basic & diluted earnings per share (Face value of ₹ 10 each)	2.14	0.42	0.43
The accompanying notes are an integral part of these financial statements			
This is the Statement of Profit and Loss referred to in our report of even date			

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm's Registration No: 012754N / N500016



Sharad Agarwal

Partner

Membership No: 118522

For and on behalf of the Board of Directors



Rajesh Save

Director

DIN: 02602353



Deepak Maheshwari

Director

DIN: 02601708



Jaswin Mehta

Chief Financial Officer



Ganesh Umashankar

Company Secretary

Mumbai
30 April 2018

Mumbai
30 April 2018

Edelweiss Holdings Limited

Cash Flow Statement for the year ended 31 March 2018

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A Cash flow from operating activities		
Profit / (loss) before taxation	8,679,267	9,454,154
<i>Adjustments for</i>		
Interest on fixed deposits	(9,342,590)	(10,201,883)
Operating cash flow before working capital changes	(663,323)	(747,729)
<i>Add / (Less): Adjustments for working capital changes</i>		
Increase in trade payables	70,105	12,422
(Decrease) / Increase in other current liabilities	(17,350)	43,243
Decrease in other assets	93,251	325,309
Cash used in operations	(517,317)	(366,755)
Income taxes paid	(2,254,122)	(2,554,794)
Net cash used in operating activities - A	(2,771,439)	(2,921,549)
B Cash flow from investing activities - B		
Investment in fixed deposits	(151,300,000)	(304,500,000)
Proceeds from fixed deposits	151,500,000	298,000,000
Interest on fixed deposits received	9,355,543	10,201,883
Net cash generated from investing activities - B	9,555,543	3,701,883
C Cash flow from financing activities	-	-
Net cash generated from financing activities - C	-	-
Net increase in cash and cash equivalents (A+B+C)	6,784,104	780,334
Cash and cash equivalent as at the beginning of the year	3,296,334	2,516,000
Cash and cash equivalent as at the end of the year (Refer note 2.8)	10,080,438	3,296,334

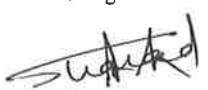
The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 "Cash Flow Statement".

This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

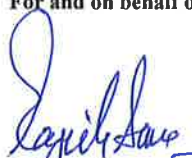
Chartered Accountants

Firm's Registration No: 012754N / N500016


Sharad Agarwal
Partner


Membership No: 118522

For and on behalf of the Board of Directors


Rajesh Save
Director
DIN: 02602353


Deepak Maheshwari
Director
DIN: 02601708


Jaswin Mehta
Chief Financial Officer
Mumbai
30 April 2018


Ganesh Amashankar
Company Secretary

Mumbai
30 April 2018

Edelweiss Holdings Limited

Notes to financial statements for the year ended 31 March 2018

1. Significant accounting policies

1.1 Background

Edelweiss Holdings Limited ('the Company') was incorporated on 8 December 2015. The Company is a 100% subsidiary of Edelweiss Financial Service Limited. The company is engaged into investment activities.

1.2 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 referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian rupees.

1.3 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make certain estimates and assumptions that affect the reported amount of assets, liabilities and 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.

1.4 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:

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

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



Edelweiss Holdings Limited

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

1. Significant accounting policies (*Continued*)

1.4 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

1.5 Revenue recognition

- a. Interest income is recognised on accrual basis based on rate and amount outstanding.

1.6 Taxation

Tax expense comprises current tax (i.e. amount of tax for the year 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 year).

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.

Deferred tax

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised when 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 to the extent 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.



Edelweiss Holdings Limited

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

1. Significant accounting policies (Continued)

1.7 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 is computed by dividing the net profit after tax attributable to equity shareholders 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 weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.8 Cash and cash equivalents

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

1.9 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 Holdings Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.1 Share capital		
Authorised:		
25,000,000 Equity shares of ₹ 10 each	250,000,000	250,000,000
(Previous year: 25,000,000 Equity shares of ₹ 10 each)		
	250,000,000	250,000,000
Issued, Subscribed and Paid up:		
15,000,000 Equity shares of ₹ 10 each	150,000,000	150,000,000
(Previous year: 15,000,000 Equity shares of ₹ 10 each)		
	150,000,000	150,000,000

(All the above 15,000,000 equity shares of Rs. 10 each are held by Edelweiss Financial Services Limited, the holding company and its nominees).

a. Movement in share capital

Particulars	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	15,000,000	150,000,000	15,000,000	150,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	15,000,000	150,000,000	15,000,000	150,000,000

b. Terms/rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

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

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Particulars	31 March 2018		31 March 2017	
	Number of shares	Percentage of shareholdings	Number of shares	Percentage of shareholdings
Edelweiss Financial Services Limited, the holding company	15,000,000	100%	15,000,000	100%

d. Details of shareholders holding more than 5% shares in the Company:

Particulars	31 March 2018		31 March 2017	
	Number of shares	Percentage of shareholdings	Number of shares	Percentage of shareholdings
Edelweiss Financial Services Limited and its nominees	15,000,000	100%	15,000,000	100%

2.2 Reserves and surplus

Surplus / (deficit) in statement of profit and loss		
Opening balance	5,396,711	(1,110,157)
Add: Profit for the year	6,338,088	6,506,868
Closing balance in statement of profit and loss	11,734,799	5,396,711
	11,734,799	5,396,711



Edelweiss Holdings Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.3 Trade payables		
Total outstanding dues of creditors other than micro enterprises and small enterprises	282,527	212,422
(Includes sundry creditors and provision for expenses)		
	<u>282,527</u>	<u>212,422</u>
2.4 Other current liabilities		
Withholding taxes, Goods and Service Tax and other taxes payable	25,893	45
Book overdraft	-	43,198
(There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at year end)		
	<u>25,893</u>	<u>43,243</u>
2.5 Short-term provisions		
Others		
Provision for taxation	245,438	356,582
(net of advance tax ₹. 4,775,789; Previous year ₹. 2,637,882)		
	<u>245,438</u>	<u>356,582</u>



Edelweiss Holdings Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.6 Deferred tax assets		
On preliminary expenses	258,336	460,534
	<u>258,336</u>	<u>460,534</u>
2.7 Long-term loans and advances		
<u>Unsecured, considered good</u>		
Advance income tax (net of provision for tax ₹ 117,600; previous year: Nil)	3,997	-
	<u>3,997</u>	<u>-</u>
2.8 Cash and bank balances		
Cash and cash equivalents		
Balances with banks - in Current accounts	10,080,438	3,296,334
Other bank balances		
Short term deposits with bank with maturity less than 12 months	151,300,000	151,500,000
	<u>161,380,438</u>	<u>154,796,334</u>
2.9 Short-term loans and advances		
<u>Unsecured, considered good</u>		
Input tax credit	-	93,251
	<u>-</u>	<u>93,251</u>
2.10 Other current assets		
<u>Unsecured, considered good</u>		
Accrued interest on fixed deposits	645,886	658,839
	<u>645,886</u>	<u>658,839</u>



Edelweiss Holdings Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.11 Interest income		
On fixed deposits	9,342,590	10,201,883
	<u>9,342,590</u>	<u>10,201,883</u>
2.12 Finance Cost		
Interest on shortfall in payment of advance income tax	31,003	83,088
	<u>31,003</u>	<u>83,088</u>
2.13 Other expenses		
Auditors' remuneration (Refer note below)	390,266	621,585
Legal and professional fees	113,858	32,351
Printing and stationery	-	1,990
ROC Expenses	-	6,000
Service tax expenses	128,196	-
Travelling and conveyance	-	2,715
	<u>632,320</u>	<u>664,641</u>
Auditors' remuneration:		
As auditors	371,786	580,000
Towards reimbursement of expenses	18,480	41,585
	<u>390,266</u>	<u>621,585</u>



Edelweiss Holdings Limited

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

(Currency: Indian rupees)

2.14 Earnings per share

In accordance with Accounting Standard 20 – Earnings Per Share:

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
a. Shareholders earnings (as per statement of profit and loss)	6,338,088	6,506,868
b. Calculation of weighted average number of equity shares of ₹ 10/- each:		
- Number of shares outstanding at the beginning of the year	15,000,000	15,000,000
- Number of shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	15,000,000	15,000,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	15,000,000	15,000,000
c. Basic and diluted earnings per share (in ₹) {a/b}	0.42	0.43

2.15 Segment reporting

The Company is into investing business 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”.

2.16 Related Party transactions

Disclosure as required by Accounting Standard 18 – “Related Party Disclosure”:

i. List of related parties and relationship:

Names of related parties by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Fellow subsidiaries with whom the transactions have taken place	Edelweiss Commodities Services Limited
	Edelweiss Business Services Limited



Edelweiss Holdings Limited

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

(Currency: Indian rupees)

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

Signature to notes forming part of the Financial Statements.

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm's Registration No.: 012754N / N500016



Sharad Agarwal
Partner

Membership No.:118522



Rajesh Save
Director
DIN: 02602353



Deepak Maheshwari
Director
DIN: 02601708



Jasvin Mehta
Chief Financial Officer



Ganesh Umashankar
Company Secretary

Mumbai
30 April 2018

Mumbai
30 April 2018