

## **Edelweiss Commodities Services Limited**

**Corporate Identity Number: U45201AP2006PLC078157**

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**Annual Report 17-18**

# Edelweiss Commodities Services Limited

## Annual Report 17-18

### Board of Directors

Mr. Rujan Panjwani	- Executive Director
Mr. Pradeep Nagori	- Non-Executive Director
Ms. Kalpana Maniar	- Non-Executive Director
Mr. Kunnasagaran Chinniah	- Independent Director
Mr. Vinod Juneja	- Independent Director
Mr. P.N Venkatachalam	- Independent Director ( <i>resigned w.e.f February 3, 2018</i> )

### Chief Financial Officer

Mr. Manoj Sharma

### Company Secretary

Ms. Sangeeta Shetty

### Statutory Auditors

Price Waterhouse Chartered Accountants LLP (*till May 22, 2018*)

S.R Batliboi & Co LLP (*w.e.f May 23, 2018*)

### Registered Office

2<sup>nd</sup> Floor, M. B. Towers,  
Plot No. 5, Road, No. 2, Banjara Hills,  
Hyderabad - 500 034.  
Corporate Identity No.:  
U45201AP2006PLC078157  
Tel. No.: +91 40 4031 6900;  
Fax: +91 40 4031 6905  
Email: [cs@edelweissfin.com](mailto:cs@edelweissfin.com)

### Debenture Trustee

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai - 400 001,  
Maharashtra, India  
Tel: 022- 4080 7000  
Fax: 022 6631 1776/ 4080 7080  
E-mail: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)  
Website: [www.idbitrustee.com](http://www.idbitrustee.com)

## Edelweiss Commodities Services Limited

### Board's Report

To the Members of Edelweiss Commodities Services Limited,

Your Directors hereby present their 12<sup>th</sup> Annual Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the year ended March 31, 2018:

### Financial Highlights

#### I. Consolidated Financial Performance

(₹ in million)

	2017-18	2016-17
Total Revenue	41,435.53	71,728.56
Total Expenses	38,932.87	69,276.26
Profit Before Tax	2,502.66	2,452.30
Tax Expenses	777.93	506.21
Profit for the year	1,724.73	1,946.09
Share of (loss) / profit of associate company	(2.42)	(8.58)
Share of minority interest <sup>1</sup>	(625.29)	(123.42)
Profit for the year after minority interest	1,097.02	1,814.09
Balance in Statement of Profit and Loss brought forward	155.80	(115.49)
Effect of changes in group interest	15.76	(89.86)
Amount available for appropriation	1,268.58	1,608.74
Appropriations:		
Debenture Redemption Reserve	868.82	725.85
Interim Dividend on Equity Shares	248.62	452.59
Dividend Distribution Tax	58.43	100.24
General Reserve	(181.68)	Nil
Special Reserve u/s 29C of The National Housing Bank Act, 1987	140.57	135.87
Dividend on Preference Shares	38.39	38.39
Balance in Statement of Profit and Loss carried forward to Balance Sheet	95.43	155.80
Earning per Equity Share - Basic and Diluted	35.29	59.37

## II. Standalone Financial Performance

(₹ in million)

	2017-18	2016-17
Total Revenue	33,144.70	43,205.15
Total Expenses	32,392.19	42,397.41
Profit Before Tax	752.51	807.74
Tax Expenses	236.45	236.25
Profit for the year	516.06	571.49
Balance in Statement of Profit and Loss brought forward	257.53	914.47
Amount available for appropriation	773.59	1,485.96
Appropriations:		
Debenture Redemption Reserve	609.86	637.21
Interim Dividend on Equity Shares	248.59	452.59
Dividend Distribution Tax	58.43	100.24
General Reserve	(181.68)	Nil
Dividend on Preference Shares	38.39	38.39
Balance in Statement of Profit and Loss carried forward to Balance Sheet	Nil	257.53
Earning per Equity Share - Basic and Diluted	15.78	17.64

### Dividend

During the year under review, your Directors declared and paid interim dividends of ₹ 5 per Equity Share aggregating to ₹ 148.88 million and of ₹ 3.35 per Equity Share aggregating to ₹ 99.75 million.

The Company has also paid dividend at the rate of 14.625% on 25,290,000 Cumulative Redeemable Preference Shares for the year under review, aggregating to ₹ 36.99 million.

Dividend at the rate of 7% shall be paid on 2,000,000 Non-Cumulative Non-Convertible Redeemable Preference Shares aggregating to ₹ 1.40 million.

### Finance

During the year under review, an amount of ₹ 24,481 million was raised through issuance of Secured Non-Convertible Debentures on a private placement basis. The Company enjoys high credit rating from the Rating Agencies.

## Information on the state of affairs of the Company

During the year ended March 31, 2018, the Company earned revenue of ₹ 33,144.70 million as against ₹ 43,205.15 million during the previous year. The Company earned a profit after tax of ₹ 516.07 million against the profit of ₹ 571.49 million during the previous year. The Net Worth of the Company stood at ₹ 5,574.30 million as against ₹ 5,691.60 million during the previous year.

The Company has obtained registration under the Real Estate Regulatory Act, 2016 (RERA) to act as a real estate agent in the State of Maharashtra and Uttar Pradesh.

## Subsidiaries

The following companies ceased to be subsidiaries during the year ended March 31, 2018:

- Cross Border Synergy Pte. Ltd. (formerly Edelweiss Commodities Pte. Ltd.)
- Edelweiss Tarim Urunleri Anonim Sirketi

Edel Commodities Limited and EFSL Trading Limited ceased to be subsidiaries with effect from May 4, 2018.

The salient features of the financial statement of each of the subsidiaries as required under the Companies Act, 2013 are provided in this Report.

## Loans, Investments and Guarantees

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statements.

## Related Party Transactions

All the Related Party Transactions entered into by the Company are on arm's length basis and in the ordinary course of business. All the Related Party Transactions as required under AS-18 are reported in the Notes to the financial statement.

## Directors and Key Managerial Personnel

### i) Independent Directors

Dr. Vinod Juneja who was appointed as an Additional Director of the Company with effect from July 7, 2017 has been appointed as an Independent Director for a period of five years with effect from September 11, 2017.

Mr. P. N. Venkatachalam, Independent Director, resigned from the directorship of the Company on February 3, 2018. The Board places on record its sincere appreciation of the services rendered by Mr. P. N. Venkatachalam during his tenure as an Independent Director of the Company.

Mr. Kunnasagaran Chinniah holds office as an Independent Director till the conclusion of the ensuing AGM. Mr. Chinniah has offered himself for re-appointment for a second term of 5 years from the conclusion of this AGM till the conclusion of the 17<sup>th</sup> AGM to be held in the year 2023.

In accordance with the provisions of Section 149 of the Companies Act, 2013 (the Act), the Independent Directors have given a declaration that they meet the criteria of independence as provided in the said Section.

**ii) Retirement by Rotation of the Directors**

Mr. Pradeep Nagori retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

**iii) Key Managerial Personnel**

Mr. Manish Jethwa resigned as the Chief Financial Officer (CFO) of the Company with effect from March 13, 2018. The Board places on record its sincere appreciation of the services rendered by Mr. Manish Jethwa during his tenure as CFO of the Company.

Mr. Manoj Sharma has been appointed as the Chief Financial Officer of the Company with effect from May 2, 2018.

**Board Meetings**

During the year ended March 31, 2018, the Board met four times.

**Remuneration Policy**

The Company has formulated a Remuneration Policy pursuant to Section 178 of the Companies Act, 2013. The Policy is provided as Annexure to this Report.

**Evaluation of the Performance of the Board**

A Board Evaluation Policy (the Policy) for evaluating the performance of the Board, Chairman, Executive Directors, Non-executive Directors, Independent Directors and the Committees has been adopted by the Company. The Policy *inter alia* provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with

the stakeholders, contribution of the Committees to the Board in discharging its functions, etc. A meeting of the Independent Directors was held during the year under review. An evaluation was carried out based on the Policy.

### **Internal Financial Controls and Risk Management**

The Company has in place adequate internal financial controls with reference to financial statement. A Risk Management Policy has been formulated and implemented by the Company.

### **Audit Committee**

The Audit Committee presently comprises of:

Mr. Kunnasagaran Chinniah	- Independent Director
Dr. Vinod Juneja	- Independent Director
Ms. Kalpana Maniar	- Non Executive Director

Mr. P. N. Venkatachalam resigned from the directorship of the Company on February 3, 2018 and consequently as a member of the Audit Committee.

### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee (CSR Committee) presently comprises of:

Mr. Rujan Panjwani	- Executive Director
Mr. Dr. Vinod Juneja	- Independent Director
Ms. Kalpana Maniar	- Non Executive Director

Mr. P. N. Venkatachalam resigned from the directorship of the Company on February 3, 2018 and consequently as a member of the CSR Committee.

The CSR Policy of the Company is available on the website of the Company [www.edelweissfin.com](http://www.edelweissfin.com). Further details in this regard are provided in the Annexure to this Report.

### **Auditors**

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder (the Act), M/s. Price Waterhouse Chartered Accountants LLP (PwC), was appointed as the Auditors of the Company at the 11<sup>th</sup> Annual General Meeting (AGM) held on September 11, 2017 to hold office till the conclusion of the 16<sup>th</sup> AGM. PwC has since tendered its resignation as the Auditors of the Company vide letter dated May 23, 2018, resulting in causal vacancy in the office of the Auditors.

The Board has recommended to the Members the appointment of M/s. S. R. Batliboi & Co. LLP (SRB), as the Auditors of the Company:

- a) to fill the casual vacancy caused by the resignation of PwC and to hold the office upto the conclusion of this AGM; and
- b) for a period of 5 years from the conclusion of this AGM till the conclusion of the 17<sup>th</sup> AGM of the Company to be held in the year 2023.

SRB has confirmed its eligibility to act as the Auditors of the Company.

### **Secretarial Audit**

M/s. SVVS & Associates, Company Secretaries LLP, was appointed as the Secretarial Auditor, to conduct the Secretarial Audit for the financial year ended March 31, 2018. The Report of the Secretarial Auditor is provided as an Annexure to this Report.

### **Prevention of Sexual Harassment of Women at Workplace**

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace. No case was reported during the year under review.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo**

#### **A. Conservation Of Energy**

- i) the steps taken or impact on conservation of energy - The operations of your Company are not energy intensive. However, adequate measures have been initiated for conservation of energy wherever possible.
- ii) the steps taken by the Company for utilising alternate source of energy – though the operations of the Company are not energy intensive, the Company explores alternative source of energy, as and when the necessity arises.
- iii) the capital investment on energy conservation equipments - Nil

#### **B. Technology Absorption**

- i) the efforts made towards technology absorption - The minimum technology required for the business has been absorbed.
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution - Not Applicable
- iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable
- iv) the expenditure incurred on Research and Development - Not Applicable



### **C. Foreign Exchange Earnings And Outgo**

Foreign exchange outgo during the year under review was ₹ 6.28 million (previous year ₹ 2.94 million). There were no foreign exchange earnings during the year under review and the previous year.

#### **Others**

No disclosure is required in respect of the details relating to the deposits covered under Chapter V of the Companies Act, 2013, as the Company has not accepted any deposit. There was no significant or material order passed by any regulator or court or tribunal which would impact the status of the Company as a going concern and the operations in future. The Company has complied with the Secretarial Standards issued by Institute of Company Secretaries of India.

#### **Extract of the Annual Return**

In accordance with the provisions of Section 92 of the Companies Act, 2013 and the Rules framed thereunder, the extract of the Annual Return in the Form MGT - 9 is provided as Annexure to this Report.

#### **Whistle Blower Policy / Vigil Mechanism**

The Company has a Whistle Blower Policy for the employees to report genuine concerns/grievances. The Policy is available on the website at [www.edelweissfin.com](http://www.edelweissfin.com). The vigil mechanism is overseen by the Audit Committee.

#### **Particulars of Employees**

The information required under Section 197 of the Companies Act, 2013 (the Act) and the Rules framed there under, forms part of this Annual Report. In terms of the provisions of Section 136 & 197 of the Companies Act, the Report and Accounts are being sent to the members of the Company excluding the aforesaid information.

Any member interested in obtaining a copy of this information under Section 197 of the Act, may write to the Company Secretary, at the Corporate Office of the Company.

Disclosures as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are provided in Annexure V to this Report.

## Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 (the Act), your Directors confirm that:-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) we had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profits of the Company for the financial year ended on that date;
- (iii) proper and sufficient care had been taken for the 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 fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.


## Acknowledgments

The Board of Directors wish to place on record their gratitude for the valuable guidance and continued support extended by the Securities and Exchange Board of India, Stock Exchanges, Ministry of Corporate Affairs, other government authorities, Banks and other stakeholders. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

**For and on behalf of the Board of Directors  
Edelweiss Commodities Services Limited**



**Rujan Panjwani**  
Executive Director  
DIN No.: 00237366



**Kalpana Maniar**  
Director  
DIN No.: 00719180

May 23, 2018

**Remuneration Policy**

**Objective**

The Companies Act, 2013 ('the Act') requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee, considers qualification, positive attributes, areas of expertise and number of Directorships in other companies and such other factors as it may deem fit. The Board considers the Committee's recommendation, and takes appropriate action.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other Senior level employees of the Company.

The objective of this Policy is to ensure that:

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain talent required to run the company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to the Directors, KMPs and senior management comprises a balance of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**Remuneration of the Independent Directors & Non- executive Directors**

- The Independent Directors & Non-executive Directors are eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
  - The Independent Directors & Non-executive Directors are also eligible for commission, subject to limits prescribed under the Act and the Rules framed there under.
  - The Independent Directors are not eligible for stock options.
  - The Non-executive Directors (other than promoter Directors) shall be eligible for stock options.
-

### **Remuneration of the Managing Director & Executive Directors**

- The remuneration of the Managing Director/Executive Directors is recommended by the Nomination and Remuneration Committee ('NRC') to the Board. Based on the recommendations of the NRC, the Board determines and approves the remuneration of the Managing Director/Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/Executive Directors is within the limits prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits and allowances and contribution to Funds, etc.
- The Executive Directors (other than the promoter Directors) shall be eligible for stock options.

### **Remuneration of the KMP (other than Executive Directors) and Senior level employees**

- The key components of remuneration package of the KMP (other than Executive Directors) and Senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits and allowances and contribution to Funds, etc.
- They shall be eligible for stock options.

### **Policy Review**

- The Policy may be amended as may be necessary.
  - The NRC shall implement the Policy, and may issue such guidelines, procedures etc. as it may deem fit.
-

**Corporate Social Responsibility (CSR)**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

To leverage the capacity and capital to equip and enable the social sector achieve the greatest impact on the lives of the poor in India.

The CSR Policy of the Company is uploaded on the website of the Company [www.edelweissfin.com](http://www.edelweissfin.com).

2. The Composition of the CSR Committee is as under:-

Mr. Rujan Panjwani	- Executive Director
Dr. Vinod Juneja	- Independent Director
Ms. Kalpana Maniar	- Non- Executive Director

Average net profit of the Company for last three financial years: Rs. 979.50 million

3. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 19.59 million.
4. Details of CSR spent during the financial year: Rs. 5 million.
  - (a) Total amount to be spent for the financial year: Rs. 5 million
  - (b) Amount unspent, if any: Rs. 14.59 million

(c) Manner in which the amount spent during the financial year is detailed below:

(Rs. in million)

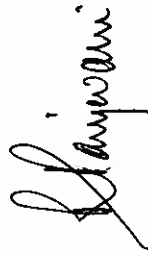
1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent : Direct or through implementing agency*
			(1) Local area or other		Sub - heads:		
			(2) Specify the State and district where projects or programs was undertaken		(1) Direct expenditure on projects or programs	(2) Overheads:	
1	Social Entrepreneurs Foundation India	Education	Mumbai, Maharashtra	2	2	2	Implementing agency - EdelGive Foundation (a strategic philanthropic arm of the Edelweiss Group and is registered under Section 25 of the Companies Act, 1956)
2.	Vrutti	Livelihood	Chindwara and Puddukottai, Madhya Pradesh and Tamil Nadu	3	2.4	3	
						0.6	
	<b>Total</b>			<b>5</b>			

5. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company is a wholly owned subsidiary of Edelweiss Financial Services Limited. Edelweiss group is conscious of its Corporate Social Responsibility and, had accordingly established a CSR arm "EdelGive Foundation" in the year 2008. As an amount of Rs.177.84 million (representing more than 2% of the consolidated profit of the group) was spent towards CSR activities during the year ended March 31, 2018, the Company has not incurred the prescribed CSR expenditure on a standalone basis during the year ended March 31, 2018.

6. A responsibility statement of the CSR Committee:

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.



**Rujan Panjwani**  
Executive Director  
DIN: 00237366

May 23, 2018



**Kalpana Maniar**  
Chairperson - CSR Committee  
DIN: 00719180

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31<sup>st</sup> March, 2018**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of**  
**the Companies (Management and Administration) Rules, 2014]**

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i)	CIN U45201AP2006PLC078157
ii)	Registration Date 17/10/2006
iii)	Name of the Company Edelweiss Commodities Services Limited
iv)	Category / Sub-Category of the Company Public Company/Limited by Shares
v)	Address of the Registered office and contact details 2 <sup>nd</sup> Floor, MB Towers, Plot No.5, Road No. 2, Banjara Hills, Hyderabad - 500 034. Email - cs@edelweissfin.com Tel No - +91 40 4031 6900 Fax No - +91 40 4031 6905
vi)	Whether listed company No (Only debt is listed)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any <b>Link Intime India Private Limited</b> C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West) Mumbai - 400078. Tel No.: +91 22 2594 6970 Fax No.: +91 22 2594 6969 <a href="mailto:ganesh.jadhav@linkintime.co.in">ganesh.jadhav@linkintime.co.in</a>  <b>Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. <a href="mailto:ramachandra.v@karvy.com">ramachandra.v@karvy.com</a>
II.	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b> All the business activities contributing 10% or more of the total turnover of the company As per Attachment - A
III.	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b> As per Attachment - B



<b>IV.</b>	<b>SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i)	Category-wise Share Holding	As per Attachment - C
ii)	Shareholding of Promoters	As per Attachment - D
iii)	Change in Promoters' Shareholding	As per Attachment - E
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment - F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment - G
<b>V.</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per Attachment - H
<b>VI.</b>	<b>Remuneration of Directors and Key Managerial Personnel</b>	As per Attachment - I
<b>VII.</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>	As per Attachment - J

**Attachment - A**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover / income of the Company are given below:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service#	% to total turnover / income of the company \$
1.	Sale of Commodities	461	58.71%
2.	Interest Income	649	38.21%

# As per National Industrial Classification- Ministry of Statistics and Programme Implementation

\$ On the basis of Gross Turnover/ Income

**Attachment - B**

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares Held*	Applicable Section
1.	Edelweiss Financial Services Limited Address: Edelweiss House, Off CST Road, Kalina, Mumbai - 400098	L99999MH1995PLC094641	Holding	100	2(46)
2.	Edelweiss Housing Finance Limited Address: Edelweiss House, Off CST Road, Kalina, Mumbai - 400098.	U65922MH2008PLC182906	Subsidiary	70.47	2(87)(ii)
3.	Edel Commodities Limited Address: 2 <sup>nd</sup> Floor, MB Towers, Plot No.5, Road No. 2, Banjara Hills, Hyderabad - 500 034. <i>Merged with EFSL Comtrade w.e.f May 4, 2018</i>	U51900AP2008PLC065549	Subsidiary	100	2(87)(ii)
4.	Edelweiss Capital Markets Limited Address: Edelweiss House, Off CST Road, Kalina, Mumbai - 400098.	U65999MH2010PLC208738	Subsidiary	100	2(87)(ii)
5.	EFSL Trading Limited Address: 2 <sup>nd</sup> Floor, MB Towers, Plot No.5, Road No. 2, Banjara Hills, Hyderabad - 500 034. <i>Merged with EFSL Comtrade w.e.f May 4, 2018</i>	U51900TG2011PLC077654	Subsidiary	100	2(87)(ii)
6.	EFSL Comtrade Limited Address: 2 <sup>nd</sup> Floor, MB Towers, Plot No.5, Road No. 2, Banjara Hills, Hyderabad - 500 034.	U67190TG2011PLC077784	Subsidiary	100	2(87)(ii)
7.	Edelweiss Agri Value Chain Limited Address: Edelweiss House, Off C.S.T Road, Kalina, Mumbai - 400 098.	U63090MH2014PLC256473	Subsidiary	100	2(87)(ii)
8.	Allium Finance Private Limited Address: Edelweiss House, Off. CST Road, Kalina, Mumbai - 400098.	U67120MH2008PTC180229	Associate	46.13	2(6)

\*Representing aggregate % of shares held by the Company and / or its subsidiaries





& ADRs									
Grand Total (A+B+C)	-	2,97,75,368	2,97,75,368	100		2,97,75,368	2,97,75,368	2,97,75,368	Nil

**Attachment - D**

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on April 1, 2017			Share holding at the end of the year as on March 31, 2018			% change in share holding during the year
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Edelweiss Financial Services Limited*	2,97,75,368	100%	Nil	2,97,75,368	100%	Nil	Nil
	<b>Total</b>	<b>2,97,75,368</b>	<b>100%</b>	<b>Nil</b>	<b>2,97,75,368</b>	<b>100%</b>	<b>Nil</b>	<b>Nil</b>

\* Including 6 shares held by the nominees of Edelweiss Financial Services Limited

**Attachment - E**

**(iii) Change in Promoters' Shareholding: NIL**

Particulars	Shareholding at the beginning of the year as on April 1, 2017		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>At the beginning of the year</b>	-	-	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
<b>At the End of the year</b>	-	-	-	-

Attachment - F

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

Sr no.	Shareholding at the beginning of the year as on April 1, 2017	Shareholding at the beginning of the year as on April 1, 2017		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Top 10 Shareholders	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the End of the Year (or on the date of separation, if separated during the year)	-	-	-	-

Attachment - G

(v) Shareholding of Directors and Key Managerial Personnel: Nil

Sl. No.	Shareholding at the beginning of the year as on April 1, 2017	Shareholding at the beginning of the year as on April 1, 2017		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company				No. of shares	% of total shares of the Company
	For each of the Directors and KMP	-	-	-	-	-	-	-
	At the beginning of the year	-	-	-	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g allotment /transfer /bonus/sweat equity etc.)	-	-	-	-	-	-	-
	At the End of the year	-	-	-	-	-	-	-

Attachment - H

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment		(₹ in million)		
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	31,455.54	54,082.89	-	85,538.43
ii) Interest due but not paid		114.13	-	114.13
iii) Interest accrued but not due	1,099.77	353.73	-	1,453.50
<b>Total (i+ii+iii)</b>	<b>32,555.31</b>	<b>54,550.75</b>	-	<b>87,106.06</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	14,594.13		-	14,594.13
• Reduction		2,809.00	-	2,809.00
<b>Net Change</b>		<b>2,809.00</b>	-	<b>11,785.13</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	46,049.67	51,273.89	-	97,323.56
ii) Interest due but not paid		31.19	-	31.19
iii) Interest accrued but not due	1,177.77	307.59	-	1,485.36
<b>Total (i+ii+iii)</b>	<b>47,227.44</b>	<b>51,612.67</b>	-	<b>98,840.11</b>

Attachment - I

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Executive Director	Rs. In million
1.	Gross salary	Rujan Panjwani	42.35
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	42.35	
	Ceiling as per the Act		



**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		P. N. Venkatachalam	Kunnasagan Chinniah	
	Independent Directors		Vinod Juneja	
	<ul style="list-style-type: none"> <li>• Fee for attending board / committee meetings</li> </ul>	2,20,000	1,20,000	5,40,000
	<ul style="list-style-type: none"> <li>• Commission</li> </ul>	-	-	-
	<ul style="list-style-type: none"> <li>• Others, please specify</li> </ul>	-	-	-
	<b>Total (1)</b>	2,20,000	1,20,000	5,40,000
	4. Other Non-Executive Directors			
	<ul style="list-style-type: none"> <li>• Fee for attending board / committee meetings</li> </ul>			
	<ul style="list-style-type: none"> <li>• Commission</li> </ul>			
	<ul style="list-style-type: none"> <li>• Others, please specify</li> </ul>			
	<b>Total (2)</b>			
	<b>Total (B)=(1+2)</b>	2,20,000	1,20,000	5,40,000
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

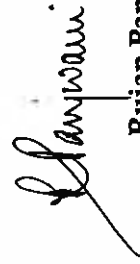
**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary (till April 21, 2017) Mr. Kamlesh Gujjar	Company Secretary (from May 16, 2017) Ms. Sangeeta Shetty	Chief Financial Officer (till March 13, 2018) Mr. Manish Jethwa	
	Gross salary				-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,00,000	17,44,494	43,18,200	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	17,23,869	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission - as % of profit	-	-	-	-
	- Others, specify...	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total</b>	<b>3,00,000</b>	<b>17,44,494</b>	<b>60,42,069</b>	<b>-</b>

Attachment- I

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD /NCLI/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					



Rujana Panjwani  
Executive Director  
DIN No.:00237366



Kalpana Maniar  
Director  
DIN No.: 00719180

May 23, 2018

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts/) Rules, 2014) Statement containing salient features of the financial Statement  
Part "A": Subsidiaries

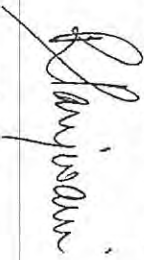
(Currency : Indian rupees in millions)

Name of the Subsidiary Company	Edel Commodities Limited*	Edelweiss Capital Markets Limited	EFSL Trading Limited**	EFSL Comtrade Limited	Edelweiss Agri Value Chain Limited	Edelweiss Housing Finance Limited
Reporting currency	INR	INR	INR	INR	INR	INR
Exchange rate						
Paid-up Equity Share Capital	0.50	63.00	10.10	1.70	1,099.98	543.50
Paid-up Preference Share Capital	-	-	-	-	-	-
Reserves of the Subsidiary	-671.89	228.95	-29.64	-72.76	523.40	4,552.31
Total Assets of the Subsidiary	5,641.69	592.83	199.50	3,087.85	13,641.01	49,545.50
Total Liabilities of the Subsidiary	6,313.07	300.88	219.04	3,158.91	12,017.63	44,449.69
Investments	21.69	48.05	5.60	1,661.99	-	-
Total Turnover	1,670.35	360.75	211.72	1,248.47	3,011.55	5,144.05
Profit/(Loss) before taxation	57.17	216.59	18.14	134.39	130.27	1,091.04
Provision for taxation	18.75	12.16	3.58	78.58	40.25	388.18
Profit/(Loss) after taxation	38.42	204.43	14.57	55.82	90.02	702.86
Proposed dividend	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	70.47%

\* held through EFSL Comtrade

\*\* held through Edel Commodities Limited

For and on behalf of the Board of Directors  
Edelweiss Commodities Services Limited






Rujan Paniwani  
Executive Director  
DIN No- 00237366

Kalpana Maniar  
Director  
DIN No- 00719180

Manoj Sharma  
Chief Financial Officer

Sangeeta Shetty  
Company Secretary

Form AOC-I


(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts/) Rules, 2014)

Annexure B – Associate

(Currency : Indian rupees in millions)

Name of the Subsidiary Company	Allium Finance Private Limited*
Reporting currency	INR
Exchange rate	
Paid-up Equity Share Capital	17.3430
Paid-up Preference Share Capital	50.9130
Reserves of the Subsidiary	567.59
Total Assets of the Subsidiary	758.45
Total Liabilities of the Subsidiary	122.60
Investments	258.48
Total Turnover	5.925
Profit/(Loss) before taxation	1.3390
Provision for taxation	6.5760
Profit/(Loss) after taxation	-5.237
Proposed dividend	-
% of shareholding	46.00%

For and on behalf of the Board of Directors  
Edelweiss Commodities Services Limited



Rujan Paniwani  
Executive Director  
DIN No- 00237366

Kalpana Maniar  
Director  
DIN No- 00719180

Manoj Sharma  
Chief Financial Officer

Sangeeta Shetty  
Company Secretary

**Form AOC-2**

(Pursuant to clause (b) of sub-section (3) of section 134 of the Act and Rule 4(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereof

(Currency: Indian rupees in millions)

Details of contracts or arrangements or transactions not at arm's length basis: Nil

S. No.	Name(s) of the related party and nature of relationship	Nature of contract/arrangements/transactions	Duration of the contract/arrangements/transactions	Salient terms of justification for the contracts or entering into arrangements or such contracts/transactions including the value, if any, in transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**11. Details of material contracts or arrangements or transactions at arm's length basis:**

S. No.	Name(s) of the related party and nature of relationship (refer to financial statements)	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any, by the Board	Date of approval by the Board	Amount paid as advances, if any
	<b>Edelweiss Financial Services Limited</b>	Unsecured Loan taken from Edelweiss Financial Services Limited Loan repaid to Edelweiss Financial Services Limited Loan given to Edelweiss Financial Services Limited Loan repaid by Edelweiss Financial Services Limited	One year	Repayable as demanded 23,205.31 20,658.78 2,968.60 10,118.93	08-Feb-17 Nil	
	<b>Edelweiss Agra Value Clean Limited</b>	Unsecured Loan taken from Edelweiss Agra Value Clean Limited Loan repaid to Edelweiss Agra Value Clean Limited	One year	Repayable as demanded 9,923.72 11,651.59	08-Feb-17 Nil	
	<b>ECap Equities Limited</b>	Unsecured Loan taken from ECap Equities Limited Loan repaid to ECap Equities Limited Loan given to ECap Equities Limited Loan repaid by ECap Equities Limited	One year	Repayable as demanded 4,157.40 10,074.00 63,397.93 61,166.87	08-Feb-17 Nil	
	<b>ECL Finance Limited</b>	Unsecured Loan taken from ECL Finance Limited Loan repaid to ECL Finance Limited Loan given to ECL Finance Limited Loan repaid by ECL Finance Limited	One year	Repayable as demanded 6,453.41 6,453.41 47,426.59 49,382.44	08-Feb-17 Nil	
	<b>Others - Fellow subsidiary company</b>	Unsecured Loan taken from Others - Fellow subsidiary company Loan repaid to Others - Fellow subsidiary company Loan given to Others - Fellow subsidiary company Loan repaid by Others - Fellow subsidiary company	One year	Repayable as demanded 3,781.79 4,176.63 96,978.34 79,542.93	08-Feb-17 Nil	
	<b>Others - Subsidiary company</b>	Unsecured Loan taken from Others - Subsidiary company Loan repaid to Others - Subsidiary company Loan given to Others - Subsidiary company Loan repaid by Others - Subsidiary company	One year	Repayable as demanded 512.40 512.40 33,716.02 40,284.91	08-Feb-17 Nil	
	<b>Fellow - Others</b>	Unsecured Loan taken from Fellow - Others Loan repaid to Fellow - Others Loan given to Fellow - Others Loan repaid by Fellow - Others	One year	Repayable as demanded 50,000 50,000 1.73 57.93	08-Feb-17 Nil	
	<b>Edd Commodities Limited</b>	Unsecured Loan taken from Edd Commodities Limited Loan repaid to Edd Commodities Limited	One year	Repayable as demanded 3,735.40	08-Feb-17 Nil	
	<b>Edecap Securities Limited</b>	Unsecured Loan taken from Edecap Securities Limited Loan repaid to Edecap Securities Limited	One year	Repayable as demanded 11,191.78	08-Feb-17 Nil	

*Rajan Panjwani*  
Rajan Panjwani  
Executive Director  
DIN:- 00237366

*Manish*  
Manish Maniar  
Director  
DIN:- 00719180

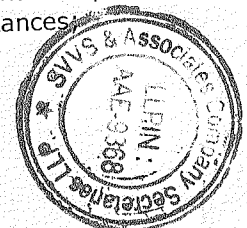
**Form No. MGT-8**

[Pursuant to section 92(2) of the Companies Act, 2013 and rule 11(2) of Companies (Management and Administration) Rules, 2014]

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

We have examined the registers, records and books and papers of Edelweiss Commodities Services Limited (the Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made there under for the financial year ended on 31<sup>st</sup> March, 2018. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that:

- A. The Annual Return states the facts as at the close of the aforesaid financial year correctly and adequately.
- B. During the aforesaid financial year the Company has complied with provisions of the Act and Rules made there under in respect of:
1. Its status under the Act (*There has been no changes in the status of the Company during the aforesaid financial year*);
  2. Maintenance of registers/records and making entries therein within the time prescribed therefore;
  3. Filing of forms and returns as stated in the annual return, with the Registrar of Companies, Regional Director, Central Government, the Tribunal, Court or other authorities within/beyond the prescribed time;
  4. Calling/ convening/ holding meetings of Board of Directors or its committees, if any, and the meetings of the members of the company on due dates as stated in the annual return in respect of which meetings, proper notices were given and the proceedings including the circular resolutions and resolutions passed by postal ballot, if any, have been properly recorded in the Minute Book/registers maintained for the purpose and the same have been signed;
  5. Closure of Register of Members / Security holders, as the case may be;
  6. Advances/loans to its directors and/or persons or firms or companies referred in section 185 of the Act (*Not applicable during the period of Audit*);
  7. Contracts/arrangements with related parties as specified in section 188 of the Act;
  8. Issue or allotment or transfer or transmission or buy back of securities/ redemption of preference shares or debentures/ alteration or reduction of share capital/ conversion of shares/ securities and issue of security certificates in all instances.

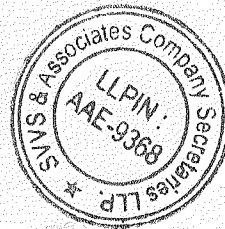


9. Keeping in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act;
10. Declaration/ payment of dividend; transfer of unpaid/ unclaimed dividend/other amounts as applicable to the Investor Education and Protection Fund in accordance with section 125 of the Act(*Not applicable during the period of Audit*);
11. Signing of audited financial statement as per the provisions of section 134 of the Act and report of directors is as per sub - sections (3), (4) and (5) thereof;
12. Constitution/ appointment/ re-appointments/ retirement/ filling up casual vacancies/ disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them;
13. Appointment/ reappointment/ filling up casual vacancies of auditors as per the provisions of section 139 of the Act;
14. Approvals required to be taken from the Central Government, Tribunal, Regional Director, Registrar, Court or such other authorities under the various provisions of the Act (*There were no approvals required to be taken during the aforesaid financial year*);
15. Acceptance/ renewal/ repayment of deposits (*There has been no Acceptance/ renewal/ repayment of deposits during the aforesaid financial year*);
16. Borrowings from its directors, members, public financial institutions, banks and others and creation/ modification/ satisfaction of charges in that respect, wherever applicable;
17. Loans and investments or guarantees given or providing of securities to other bodies corporate or persons falling under the provisions of section 186 of the Act; and
18. Alteration of the provisions of the Memorandum and/ or Articles of Association of the Company (*Not applicable during the period of Audit*).

Signature :



Name of Company  
Secretary in practice : Suresh Viswanathan  
C. P. No. : 11745



Place : Mumbai  
Date : July 28, 2018

Note: The qualification, reservation or adverse remarks; if any, may be stated at the relevant place(s).



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

The Members,  
**Edelweiss Commodities Services Limited**  
2nd Floor, MB Towers, Plot No. 5,  
Road No. 2, Banjara Hills,  
Hyderabad,  
Andhra Pradesh – 500 034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Edelweiss Commodities Services Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings<sup>1</sup>;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011<sup>2</sup>;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015<sup>3</sup>;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009<sup>4</sup>;
  - (d) SEBI (Share Based Employee Benefits) Regulations, 2014<sup>5</sup>;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009<sup>6</sup>;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998<sup>7</sup>;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ; and
- (vi) Other applicable laws namely Industrial & Labour Laws, Commercial laws, Business related Laws, as detailed in **Annexure B**

<sup>1</sup> Not applicable to the Company during the Audit Period

<sup>2</sup> *ibid*

<sup>3</sup> *ibid*

<sup>4</sup> *ibid*

<sup>5</sup> *ibid*

<sup>6</sup> *ibid*

<sup>7</sup> *ibid*



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

No audit has been conducted on the compliance with finance and taxation laws as the same are subject to audit by the Statutory Auditor and Internal Auditor to the Company and their observations, if any, shall hold good for the purpose of this audit report.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes<sup>8</sup>.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

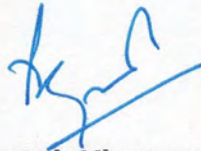
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<sup>8</sup> All resolutions were carried unanimously



We further report that during the audit period the Company did not have/face any major event / action having a major bearing on its affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc referred above.

For **SVVS & Associates Company Secretaries  
LLP**



**CS. Suresh Viswanathan  
Designated Partner**

**FCS : 4453**

**CP No : 11745**

**May 02, 2018  
Mumbai**

**Note:** This report is to be read with the list of Applicable Laws and our letter of even date which are attached as **Annexure A** and **Annexure B** respectively and form an integral part of this report.



**ANNEXURE A**

The Members,  
**Edelweiss Commodities Services Limited**  
2nd Floor, MB Towers, Plot no. 5  
Road no. 2, Banjara Hills  
Hyderabad  
Andhra Pradesh – 500034

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws rules, regulations is the responsibility of management; our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**May 02, 2018**  
**Mumbai**



For **SVVS & Associates Company Secretaries**  
**LLP**



A handwritten signature in blue ink.

**CS. Suresh Viswanathan**  
**Designated Partner**  
**FCS : 4453**  
**CP No : 11745**

**ANNEXURE B**

**No. Governing Act/Rules/Regulation/Circulars/Notifications, etc.**

**A Labour Laws**

1. Industrial Dispute Act 1947
2. The Payment of Bonus Act, 1965
3. Equal Remuneration Act, 1976
4. Payment of Wages Act, 1936
5. Payment of Gratuity Act, 1972
6. The Maharashtra Workmen's Minimum House Rent Allowance Act, 1983
7. Employee's Provident Fund & Miscellaneous Provisions Act, 1952
8. Employee Compensation Act, 1923
9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
10. Employee State Insurance Act, 1948

**B Laws / Regulations relating to Commodities Derivatives Trading**

1. Forward Contracts (Regulation) Act, 1952 and Rules thereof
2. The Bye-Laws, Rules, Business Rules, Regulations and Circulars issued by the Commodities Exchanges of which the Company is a Member.

**C Local Body Laws**

1. The Bombay Shops and Establishments Act, 1948



# **Edelweiss Commodities Services Limited**

Financial statements  
together with the  
Independent Auditor's Report  
for the year ended 31 March 2018

# Edelweiss Commodities Services Limited

**Financial statements together with the Independent auditor's report**  
for the year ended 31 March 2018

## **Contents**

Independent auditor's report

Balance sheet

Statement of profit and loss

Cash flow statement

Notes to the financial statements



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF EDELWEISS COMMODITIES SERVICES LIMITED

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Edelweiss Commodities Services 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 Standalone 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 standalone 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 standalone 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.
7. 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.

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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 Commodities Services Limited

Report on the Financial Statements

Page 2 of 3

### Opinion

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

### Other Matter

9. The standalone 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 16, 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 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 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 Commodities Services Limited

Report on the Financial Statements

Page 3 of 3

- (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 has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone financial statements – Refer Note 2.32;
  - ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2018.
  - ii. 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 Accountants



Sharad Agarwal

Partner

Membership Number: 118522

Mumbai

May 2, 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 Commodities Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 1 of 2

### 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 Commodities Services Limited ("the Company") as of March 31, 2018 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

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 Commodities Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 2 of 2

### 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  
May 2, 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 Commodities Services Limited on the standalone financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) The title deeds of immovable properties, as disclosed in Note 2.10 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 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. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- 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 provident fund, income tax, sales tax, service tax, value added tax, cess, goods and service tax with effect from July 1, 2017 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 sales-tax which have not been deposited on account of any dispute. The particulars of dues of value added tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Amount Rs. In million

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Rajasthan Value Added Tax (paid under protest Rs. 13.50)	Value Added tax	13.13	A.Y. 2011-2012	Commissioner of Income Tax (Appeals)
Gujarat Value Added Tax (paid under protest Rs.5.00)	Value Added Tax	118.42	A.Y. 2010-2011	Joint Commissioner (Appeals)



# 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 Commodities Services Limited on the standalone financial statements for the year ended March 31, 2018

Page 2 of 3

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Madhya Pradesh Value Added Tax (paid under protest Rs.0.59)	Value Added Tax	2.15	A.Y. 2013-2014	Additional Commissioner of Commercial Tax
West Bengal Value Added Tax (paid under protest Rs.0.33)	Value Added Tax	2.70	A.Y. 2013-2014	Joint Commissioner
Gujarat Value Added Tax	Value Added Tax	2.35	A.Y. 2013-2014	Deputy commissioner of Commercial Tax
Gujarat Value Added Tax	Value Added Tax	19.78	A.Y. 2013-2014	Deputy commissioner of Commercial Tax

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- 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.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 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 Sections 177 and 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 made a private placement of Non-Convertible debentures during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.
- 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.



# 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 Commodities Services Limited on the standalone financial statements for the year ended March 31, 2018  
Page 3 of 3

- 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.

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



Sharad Agarwal  
Partner  
Membership Number

Mumbai  
May 2, 2018.



## Edelweiss Commodities Services Limited

### Balance Sheet

(Currency: Rupees in millions)

	Note No.	As at 31 March 2018	As at 31 March 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	570.65	570.65
Reserves and surplus	2.2	5,183.65	5,186.35
		<b>5,754.30</b>	<b>5,757.00</b>
<b>Non-current liabilities</b>			
Long-term borrowings	2.3	45,139.67	25,934.29
Other long term liabilities	2.4	1,246.39	1,184.43
Long-term provisions	2.5	2.12	50.32
		<b>46,388.18</b>	<b>27,169.04</b>
<b>Current liabilities</b>			
Short-term borrowings	2.6	55,389.48	71,639.56
Trade payables			
Total outstanding due of Micro, Small and Medium enterprises		-	-
Total outstanding due of creditors other than Micro, Small and Medium enterprises	2.7	400.57	3,966.29
Other current liabilities	2.8	1,870.57	5,988.12
Short-term provisions	2.9	275.71	396.30
		<b>57,936.33</b>	<b>81,990.27</b>
<b>TOTAL</b>		<b>1,10,078.81</b>	<b>1,14,916.31</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Property plant and equipment	2.10	2,815.06	2,971.05
Intangible assets	2.10	6.64	99.09
Capital work-in-progress		0.25	0.39
Non-current investments	2.11	9,823.19	10,684.89
Deferred tax assets (net)	2.12	180.08	65.39
Long-term loans and advances	2.13	5,102.86	1,329.43
Other non-current assets	2.14	11.85	12.40
		<b>17,939.93</b>	<b>15,162.64</b>
<b>Current assets</b>			
Current investments	2.15	0.53	10.08
Stock-in-trade	2.16	21,158.92	22,991.49
Trade receivables	2.17	353.68	452.15
Cash and bank balances	2.18	2,198.19	2,295.59
Short-term loans and advances	2.19	66,619.39	72,033.82
Other current assets	2.20	1,808.17	1,970.54
		<b>92,138.88</b>	<b>99,753.67</b>
<b>TOTAL</b>		<b>1,10,078.81</b>	<b>1,14,916.31</b>

The accompanying notes are an integral part of these financial statements.

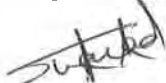
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This is the Balance Sheet referred to in our report of even date.

#### For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration No. 012754N/N500016



Sharad Agarwal

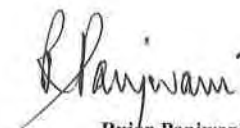
Partner

Membership No: 118522

Mumbai

2 May 2018

#### For and on behalf of the Board of Directors of Edelweiss Commodities Services Limited



Rujan Panjwani

Executive Director

DIN No.: 00237366



Kalpana Maniar

Director

DIN No.: 00719180



Manoj Sharma

Chief Financial Officer

Mumbai

2 May 2018



Sangeeta Shetty

Company Secretary

SIG

## Edelweiss Commodities Services Limited

### Statement of Profit and Loss

(Currency: Rupees in millions)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Revenue from operations</b>			
Fee and commission income	2.21	251.81	5.40
Income from treasury operations and investments	2.22	259.20	(582.51)
Interest income	2.23	12,666.57	9,536.27
Sale of commodities		19,460.57	33,681.23
Sale of manufactured products		-	120.44
Other operating revenue	2.24	458.21	393.96
<b>Other income</b>	2.25	<b>48.34</b>	<b>50.36</b>
<b>Total Revenue</b>		<b>33,144.70</b>	<b>43,205.15</b>
<b>Expenses</b>			
Cost of materials consumed		-	101.91
Purchase of commodities		18,311.40	20,843.22
Changes in stock-in-trade of commodities		1,253.40	11,177.29
Employee benefit expenses	2.26	245.60	366.50
Finance costs	2.27	11,361.51	9,040.49
Depreciation and amortisation expense	2.10	225.13	281.23
Other expenses	2.28	995.15	586.77
<b>Total expenses</b>		<b>32,392.19</b>	<b>42,397.41</b>
<b>Profit before tax</b>		<b>752.51</b>	<b>807.74</b>
<b>Tax expense:</b>			
Current tax [includes short provision of earlier years Rs.24.46 million; (Previous year short provision - Rs. 30.90 million)]		351.14	269.50
Deferred tax		(114.69)	(33.25)
<b>Profit for the year</b>		<b>516.06</b>	<b>571.49</b>
<b>Earnings per equity share (face value of Rs. 10 each)</b>			
<b>Basic and diluted (in rupees)</b>	2.35	<b>15.78</b>	<b>17.64</b>

The accompanying notes are an integral part of these financial statements.

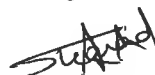
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This is the Statement of Profit and Loss referred to in our report of even date.

#### For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration No. 012754N/N500016



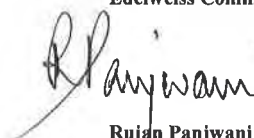
Sharad Agarwal

Partner

Membership No: 118522

Mumbai  
2 May 2018

#### For and on behalf of the Board of Directors of Edelweiss Commodities Services Limited



Rujan Panjwani

Executive Director

DIN No.: 00237366



Kalpana Maniar

Director

DIN No.: 00719180



Manoj Sharma

Chief Financial Officer



Sangeeta Shetty

Company Secretary

Mumbai  
2 May 2018

SIGN

# Edelweiss Commodities Services Limited

## Cash Flow Statement

(Currency: Rupees in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>A Cash flow from operating activities</b>		
Profit before tax	752.51	807.74
Adjustments for		
Depreciation and amortisation expense	225.13	281.23
Diminution in value of non-current investments	(32.87)	4.36
(Profit)/ loss on sale of fixed assets (net)	(43.84)	1.21
Provision for diminution	459.85	12.13
Provision for compensated leave absences	0.51	(0.59)
Profit on sale of investments	(297.68)	(109.24)
Share of profit from partnership firm	(14.91)	25.43
Discount on commercial paper	5,598.92	5,400.51
Interest expense	5,356.75	3,483.15
<b>Operating cash flow before working capital changes</b>	<b>12,004.37</b>	<b>9,905.93</b>
Adjustments for working capital changes		
Decrease/ (increase) in trade receivables	106.06	(86.53)
Decrease/ (increase) in stock-in-trade	1,592.07	(5,152.37)
Decrease in loans and advances	1,477.71	328.36
Decrease in other assets	162.92	188.11
Decrease in current liabilities and provisions	(4,019.41)	(55.80)
<b>Cash generated from operations</b>	<b>11,323.72</b>	<b>5,127.70</b>
Income taxes paid	(705.56)	(338.59)
<b>Net cash generated from operating activities - A</b>	<b>10,618.16</b>	<b>4,789.11</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets (including capital work-in progress)	(35.80)	(93.50)
Proceeds from sale of fixed assets	103.09	1.77
Purchase of investments	(3,840.08)	(3,765.32)
Proceeds from sale of investments	5,056.81	975.60
Repayment received towards loans given (net)	1,966.82	(31,576.30)
<b>Net cash generated from / (used in) investing activities - B</b>	<b>3,250.84</b>	<b>(34,457.75)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from secured loans (net) (Refer note 1)	14,420.78	13,891.55
(Repayment of) / Proceeds from unsecured loans (net) (Refer note 1)	(12,441.08)	14,069.05
(Repayment of) / Proceeds from issuance of commercial paper (net) (Refer note 1)	(2,690.00)	10,620.00
Dividend and dividend distribution tax paid	(585.80)	(350.82)
Interest expense and Discount on commercial Paper	(11,125.79)	(8,118.92)
<b>Net cash (used in) / generated from financing activities - C</b>	<b>(12,421.89)</b>	<b>30,110.86</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,447.11</b>	<b>442.22</b>



# Edelweiss Commodities Services Limited

## Cash Flow Statement (continued)

(Currency: Rupees in millions)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash and cash equivalents as at the beginning of the year	602.18	159.96
Cash and cash equivalents as at the end of the year (Refer note 2.18)	2,049.29	602.18
Note:		
1 Net figures have been reported on account of volume of transactions.		
2 Component of cash and cash equivalents		
3 The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements" specified under Section 133 of Companies Act ,2013 read with Paragraph 7 of the Companies (Accounts) Rules,2014.		
<b>Balances with banks</b>		
in current accounts	549.14	602.02
in fixed deposits with original maturity less than 3 months	0.10	0.10
Cash on hand	0.05	0.06
Cheques in hand	1,500.00	-
	<u>2,049.29</u>	<u>602.18</u>

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

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration No. 012754N/N500016




**Sharad Agarwal**

Partner

Membership No: 118522

Mumbai  
2 May 2018

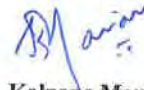
For and on behalf of the Board of Directors of  
Edelweiss Commodities Services Limited



**Rujar Panjwani**

Executive Director

DIN No.: 00237366



**Kalpana Maniar**

Director

DIN No.: 00719180



**Manoj Sharma**

Chief Financial Officer



**Sangeeta Shetty**

Company Secretary

Mumbai  
2 May 2018

**SIGN**

# Edelweiss Commodities Services Limited

## Notes to the financial statements

### 1. Significant accounting policies

#### 1.1 Background

Edelweiss Commodities Services Limited was incorporated on October 17, 2006 in the State of Maharashtra as a private company. With effect from January 13, 2011, the status of the Company was changed from Private Limited Company to a Public Limited Company and the Registered Office of the Company was shifted from the state of Maharashtra to the state of Andhra Pradesh. It is a wholly owned subsidiary of Edelweiss Financial Services Limited.

Company deals in trading of commodities and debt securities. The Company has obtained registration under the Real Estate Regulatory Act, 2016 (RERA) to act as a real estate agent in the State of Maharashtra as on June 9, 2017 and in Uttar Pradesh.

#### 1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### 1.3 Use of estimates

The preparation of the financial statements in conformity with the GAAP requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Any revision to accounting estimates is recognised prospectively in current and future periods.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

### 1.4 Revenue recognition

- Brokerage income is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date.
- Fee income is accounted on accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Income from treasury comprises of profit/loss on sale of securities and commodities and profit/loss on derivative instruments.
  - a) Profit/loss on sale of securities and derivatives is determined based on the weighted average cost of the securities sold.
  - b) Realised profit/ loss on closed positions of derivative instruments is recognised on final settlement on squaring-up of the contracts. Outstanding derivative contracts in the nature of forwards / futures / options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, a valuation technique is used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.
  - c) In respect of interest rate derivatives, realised profit/loss on maturity/termination of contract is recognised as 'Profit/loss on interest rate derivatives' in the statement of profit and loss and the interest received during contract period is recognised as 'Interest income on derivative instruments' in statement of profit and loss. Positions open as on Balance sheet date are marked to market and profit / (loss) is recognised in the statement of profit and loss.
  - d) In respect of currency derivatives, realised profit/loss on maturity/termination of contract is recognised as 'Profit/loss on currency derivatives' in the statement of profit and loss. Positions open as on Balance sheet date are marked to market and profit / (loss) is recognised in the statement of profit and loss.

In accordance with 'Guidance Note on Accounting for Derivative Contracts' issued by the Institute of Chartered Accountants of India effective from 1 April 2016, the Company recognises all mark to market gains or losses on derivative contracts in the statement of profit and loss.

- Commodities' sales are accounted when all obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.
- Revenue from sale of processed goods is recognized net of returns, on transfer of significant risks and rewards in respect of ownership to the buyer. Sales exclude sales tax and value added tax, Goods and Service Tax.
- Interest income is recognised on accrual basis. In case of commercial papers, deep discount bonds and certificate of deposits, the difference between the acquisition cost and redemption value are amortised on time basis and recognised as interest income. Interests on delayed payments, warehousing charges and rental income are recognised on accrual basis by reference to the agreements entered.
- In case of commercial papers, deep discount bonds and certificate of deposits, the difference between the acquisition cost and redemption value are apportioned on time proportionate basis and recognised as interest income.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

- Profit / loss from share in partnership firm is accounted once the amount of the share of profit/ loss is ascertained and credited / debited to the Company's account in the books of the partnership firm.
- Dividend income is recognised when the right to receive payment is established.
- Real estate Advisory income is recognised basis contractual terms on accrual basis.

### 1.5 Benchmark linked debentures

The Company has issued certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debentures. Such debentures have a component of an embedded derivative which is fair valued at year end. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

### 1.6 Fixed assets and depreciation/amortisation

#### Property plant and equipment and Capital work-in-progress

Property plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

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

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

Class of asset	Estimated useful life
Building (Other than Factory Building)	60 years
Plant and equipments	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipments	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years
Solar Power Plant	15 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Goodwill is amortised over a period of 5 years.

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

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost, are recognised in the Statement of Profit and Loss.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

### 1.7 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.

### 1.8 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Interest costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

### 1.9 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. The recoverable amount is the greater 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.

### 1.10 Stock-in-trade

- a) The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and disclosed as current assets.
- b) The securities held as stock-in-trade are valued at lower of weighted average cost or market value.
- c) In case of units of mutual funds held as stock-in-trade, net asset value is considered as fair value.
- d) Purchase and sale of bullion is recorded at the price which is fixed between the buyer and the seller at the future date including the contracts where the price is fixed subsequent to the balance sheet date. In case of unfixed purchase/sale contracts as at the reporting date, the price is recorded at the forward rate for the residual maturity period of the contract.
- e) Inventories in the form of commodities are valued at cost or net realisable value, whichever is lower.
- f) Debt instruments are valued at cost or realizable value whichever is lower. In case of debt instruments for which direct quotes are not available, they are valued at the lowest of the quotes as on valuation date as provided by market intermediaries. In case quotes from market intermediaries are not available, the debt instruments are valued at carrying cost.
- g) Commercial papers, certificate of deposits and treasury bills are valued at carrying cost.





# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

### 1.11 Investments

Investments are classified into non-current (long term) 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 (long term) investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of 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.

### 1.12 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the balance sheet.

Non monetary assets and liabilities are carried at historical cost using exchange rate on the date of the transaction.

### 1.13 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 and national pension scheme*

The Company contributes to a recognised provident fund and national pension scheme 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*

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with The Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

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.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

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.

Benefits in respect of gratuity are funded with an Insurance Company approved by Insurance Regulatory and Development Authority (IRDA).

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

### *Compensated leave absences*

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

### *Deferred Bonus*

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles. These assumptions and principles are consistent with the requirements of Accounting Standard 15 (Revised 2005).

## 1.14 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 the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

## 1.15 Current and Deferred Tax

Income-tax expense comprises of 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.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

### *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 substantively 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 with convincing evidence 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 reasonable/virtually certain (as the case may be) to be realised.

### *Minimum alternative tax (MAT) Credit*

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

## 1.16 Operating leases

Lease payments for assets taken on operating lease are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

## 1.17 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 Commodities Services Limited

## Notes to the financial statements (Continued)

(Currency: Rupees in millions except share data)

	As at 31 March 2018	As at 31 March 2017
<b>2.1 Share capital</b>		
<b>(i) Authorised:</b>		
3,00,00,000 (Previous year: 3,00,00,000) equity shares of Rs. 10 each	300.00	300.00
7,20,00,000 (Previous year: 7,20,00,000) preference shares of Rs. 10 each	720.00	720.00
	<u>1,020.00</u>	<u>1,020.00</u>
<b>(ii) Issued, Subscribed and Paid up:</b>		
2,97,75,368 (Previous year: 2,97,75,368) equity shares of Rs. 10 each, fully paid up	297.75	297.75
20,00,000 (Previous year: 20,00,000) 7% non-cumulative non-convertible redeemable preference shares of Rs. 10 each, fully paid up	20.00	20.00
2,52,90,000 (Previous year: 2,52,90,000) 14.625% cumulative non-convertible redeemable preference shares of Rs. 10 each, fully paid up	252.90	252.90
	<u>570.65</u>	<u>570.65</u>

(The entire paid up equity share capital is held by Edelweiss Financial Services Limited, the holding company and its nominees).

**(iii) Reconciliation of shares outstanding at the beginning and at the end of the year:**

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of Shares	Amount
<b>Equity shares of Rs. 10 each fully paid</b>				
Outstanding at the beginning of the year	2,97,75,368	297.75	2,97,75,368	297.75
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>2,97,75,368</u>	<u>297.75</u>	<u>2,97,75,368</u>	<u>297.75</u>
<b>7% Non-cumulative non-convertible redeemable preference shares of Rs. 10 each fully paid</b>				
Outstanding at the beginning of the year	20,00,000	20.00	20,00,000	20.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>20,00,000</u>	<u>20.00</u>	<u>20,00,000</u>	<u>20.00</u>
<b>14.625% Cumulative non-convertible redeemable preference shares of Rs. 10 each fully paid</b>				
Outstanding at the beginning of the year	2,52,90,000	252.90	2,52,90,000	252.90
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>2,52,90,000</u>	<u>252.90</u>	<u>2,52,90,000</u>	<u>252.90</u>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions except share data)

#### 2.1 Share capital (continued)

##### (iv) Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

	31 March 2018			31 March 2017		
	Number of shares	Amount	Percentage Shareholding	Number of shares	Amount	Percentage Shareholding
<b>(a) Equity shares</b>						
Edelweiss Financial Services Limited, the holding company and its nominees	2,97,75,368	252.90	100%	2,97,75,368	252.90	100%
<b>(b) Preference shares</b>						
<b>7% Non-cumulative non-convertible redeemable preference shares of Rs. 10 each fully paid</b>						
Edelweiss Securities Limited, the subsidiary of the holding company	10,00,000	10.00	50%	10,00,000	10.00	50%
ECL Finance Limited, the subsidiary of the holding company	10,00,000	10.00	50%	10,00,000	10.00	50%
	<b>20,00,000</b>	<b>20.00</b>	<b>100%</b>	<b>20,00,000</b>	<b>20.00</b>	<b>100%</b>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions except share data)

#### 2.1 Share capital (continued)

##### (v) Details of shares in the Company held by each shareholder holding more than 5 percent shares:

	31 March 2018		31 March 2017	
	Number of shares	Percentage Shareholding	Number of shares	Percentage Shareholding
<b>Equity shares of Rs 10 each fully paid up</b>				
Edelweiss Financial Services Limited, the holding company and its nominees	2,97,75,368	100%	2,97,75,368	100%
<b>7% Non-cumulative non-convertible redeemable preference shares of Rs. 10 each fully paid up</b>				
Edelweiss Securities Limited, the subsidiary of the holding company	10,00,000	50%	10,00,000	50%
ECL Finance Limited, the subsidiary of the holding company	10,00,000	50%	10,00,000	50%
<b>14.625% Cumulative non-convertible redeemable preference shares of Rs. 10 each fully paid up</b>				
Lalita Omkarnath Malpani	33,40,000	13.21%	33,40,000	13.21%
Asiatic Oxygen Limited	25,20,000	9.96%	25,20,000	9.96%
Esmech Rolling Machinery LLP	15,60,000	6.17%	15,60,000	6.17%
The Bombay Oil Private Limited	13,40,000	5.30%	13,40,000	5.30%
Indu Devendra Kothari	13,34,000	5.27%	13,34,000	5.27%
Pico Capital Private Limited	13,30,000	5.26%	-	-
Kishore V Mariwala	-	-	13,30,000	5.26%

#### Rights, preferences and restrictions 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.

#### Rights, preferences and restrictions attached to 7% non-cumulative non-convertible redeemable preference shares:

##### 1,000,000 preference shares held by Edelweiss Securities Limited:

The preference shares of the face value of Rs. 10 each were issued at the rate of Rs. 1,000 per share. The preference shares were allotted on March 29, 2012 and were redeemable at Rs. 1,000 per share at the end of 5 years from the date of allotment. The tenure of redemption of the Preference Shares have been extended and shall be due for redemption on March 30, 2023. The preference shares are non-cumulative and non-convertible. The preference shares carry a non-cumulative dividend of 7%.

##### 1,000,000 preference shares held by ECL Finance Limited:

The preference shares of the face value of Rs. 10 each were issued at the rate of Rs. 1,000 per share. The preference shares were allotted on August 14, 2012 and were redeemable at Rs. 1,000 per share at the end of 5 years from the date of allotment. The tenure of redemption of the Preference Shares have been extended and shall be due for redemption on March 30, 2023. The preference shares are non-cumulative and non-convertible. The preference shares carry a non-cumulative dividend of 7%.

#### Rights, preferences and restrictions attached to 14.625% cumulative non-convertible redeemable preference shares:

The preference shares of the face value of Rs. 10 each were issued at the rate of Rs. 15 per share. The preference shares were allotted on July 19, 2013. The preference shares are cumulative and redeemable. The preference shares carry a cumulative dividend of 14.625%. The preference shares will be redeemed at a premium of Rs. 5 per preference share over the face value together with the unpaid dividend till the date of redemption. The preference share will be compulsorily redeemed at the end of 10 years from the date of allotment.



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2018	As at 31 March 2017
<b>2.2 Reserves and surplus</b>		
Securities premium account		
Opening balance	3,118.61	3,146.31
Add : utilisation during the year for provision of premium payable on redemption of debentures [Net of tax Rs. 91.74 million (Previous year: Rs. 14.66 million)]	(173.35)	-27.70
	2,945.26	3,118.61
Debenture redemption reserve (Net)		
Opening balance	1,628.53	991.32
Add : additions during the year	609.86	637.21
	2,238.39	1,628.53
General reserve		
Opening balance	181.68	181.68
Add : Utilisation during the year	(181.68)	-
	-	181.68
Surplus in the statement of profit and loss		
Opening balance	257.53	914.47
Add : profit for the year	516.06	571.49
Amount available for appropriation	773.59	1,485.96
Appropriations:		
Transfer to debenture redemption reserve	609.86	637.21
Interim dividend on equity shares	248.59	452.59
Dividend distribution tax	58.43	100.24
Transfer from general reserve (Net)	(181.68)	-
Dividend on preference shares	38.39	38.39
Net surplus in the statement of profit and loss	-	257.53
	5,183.65	5,186.35

### 2.3 Long-term borrowings

Secured (Refer note 2.41)		
Non-convertible debentures	45,139.67	23,903.04
(The debentures are secured by a first mortgage and charge over the immovable property and a pari passu charge on the receivables ( includes inter company) and stock-in-trade to the extent equal to the principal and interest amount i.e. redemption value of debentures)		
Term Loans from a bank	-	2,031.25
(Secured by charge on immovable property with bank)		
	45,139.67	25,934.29



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2018	As at 31 March 2017
<b>2.4 Other long term liabilities</b>		
Others		
Rental deposits	68.62	84.66
Interest accrued but not due on borrowings	1,177.77	1,099.77
	<b>1,246.39</b>	<b>1,184.43</b>
<b>2.5 Long-term provisions</b>		
Provision for employee benefits		
Compensated leave absences	2.12	2.12
Deferred bonus	-	48.20
	<b>2.12</b>	<b>50.32</b>
<b>2.6 Short-term borrowings</b>		
Secured		
Loans repayable on demand		
Term Loans		
from banks*	-	1,000.00
(Secured by pledge of warehouse receipts of stock-in-trade)		
	<b>-</b>	<b>1,000.00</b>
Unsecured		
Term loan from bank *	-	7,500.00
Loans and advances from related parties *	1,157.09	8,569.17
Inter-corporate deposits	2,958.50	487.50
Commercial paper	52,340.00	55,030.00
Less: Unamortised discount on commercial paper	(1,066.11)	(947.11)
	<b>51,273.89</b>	<b>54,082.89</b>
[* Repayable on demand, at variable rate of interest ranging from 9.13% to 14 % p.a (Previous year: 11% to 14%)]		
	<b>55,389.48</b>	<b>70,639.56</b>
	<b>55,389.48</b>	<b>71,639.56</b>
<b>2.7 Trade payables</b>		
Payable to *:		
Total outstanding due of Micro, Small and Medium enterprises-	-	-
Total outstanding due of creditors other than Micro, Small and Medium enterprises	400.57	3,966.29
* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act 2013 as at the year end.		
	<b>400.57</b>	<b>3,966.29</b>





## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2018	As at 31 March 2017
<b>2.8 Other current liabilities</b>		
Current maturities of long term debts		
Non-convertible debentures (Refer note 2.41) (The debentures are secured by a first mortgage and charge over the immovable property and a pari passu charge on the receivables (includes inter company) and stock-in-trade to the extent equal to the principal and interest amount i.e. redemption value of debentures)	910.00	4,115.00
Term loan from a bank (Refer note 2.41) (Secured by charge on immovable property with banks)	-	406.25
Interest accrued but not due on borrowings	307.59	353.73
Interest accrued and due on borrowings / margin	31.19	114.13
Other payables		
Accrued salaries and benefits	82.11	52.18
Withholding tax, service tax and other taxes payable	118.58	47.32
Advances from customers	8.70	20.93
Book overdrafts	379.35	808.77
Retention money payable	3.57	5.32
Others	29.48	64.49
	<b>1,870.57</b>	<b>5,988.12</b>
<b>2.9 Short-term provisions</b>		
Provision for employee benefits		
Compensated leave absences	0.94	0.43
Deferred bonus	97.06	109.28
Others		
Interim dividend on equity and preference shares	38.39	237.88
Provision for dividend distribution tax	7.81	48.71
Provision for taxation	131.51	-
[Net of advance tax Rs. 158.67 million (Previous year: Rs. Nil)]		
	<b>275.71</b>	<b>396.30</b>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions)

#### 2.10 Fixed Assets

Description of Assets	Gross Block				Depreciation and amortisation				Net Block	
	As at 1 April 2017	Additions during the period	Deductions during the period	As at 31 March 2018	As at 1 April 2017	Charge for the period	Deductions during the period	As at 31 March 2018	As at 31 March 2018	As at 31 March 2018
Property plant and Equipment										
Land *	194.16	-	-	194.16	-	-	-	-	-	194.16
Building	3,447.46	-	-	3,447.46	836.77	130.54	-	967.31	-	2,480.15
Plant and equipment	1.11	-	0.19	0.92	0.29	-	0.10	0.19	-	0.73
Furniture and fixtures	98.20	13.65	-	111.85	68.56	9.73	-	78.29	-	33.56
Vehicles	14.61	0.44	7.22	7.83	8.53	1.49	4.45	5.57	-	2.26
Office equipments	214.89	11.47	1.70	224.66	201.27	9.74	1.50	209.51	-	15.15
Computers and networking	231.48	9.12	10.42	230.18	185.79	20.89	9.96	196.72	-	33.46
Leasehold improvements	18.78	0.47	-	19.25	10.48	3.86	-	14.34	-	4.91
Solar power plant	62.20	-	-	62.20	0.15	11.37	-	11.52	-	50.68
<b>Total : A</b>	<b>4,282.89</b>	<b>35.15</b>	<b>19.53</b>	<b>4,298.51</b>	<b>1,311.84</b>	<b>187.62</b>	<b>16.01</b>	<b>1,483.45</b>		<b>2,815.06</b>
Intangible assets										
Goodwill	531.84	-	-	531.84	513.17	18.67	-	531.84	-	-
Computer software	175.78	0.79	130.60	45.97	95.36	18.84	74.87	39.33	-	6.64
<b>Total : B</b>	<b>707.62</b>	<b>0.79</b>	<b>130.60</b>	<b>577.81</b>	<b>608.53</b>	<b>37.51</b>	<b>74.87</b>	<b>571.17</b>		<b>6.64</b>
<b>Grand Total [A+B]</b>	<b>4,990.51</b>	<b>35.94</b>	<b>150.13</b>	<b>4,876.32</b>	<b>1,920.37</b>	<b>225.13</b>	<b>90.88</b>	<b>2,054.62</b>		<b>2,821.70</b>

\*Refer to note 2.3 for encumbrances on Fixed Asset.



## Edelweiss Commodities Services Limited

Notes to the financial statements (Continued)

(Currency: Rupees in millions)

### 2.10 Fixed Assets

Description of Assets	Gross Block			Depreciation and amortisation			Net Block As at 31 March 2017
	As at 1 April 2016	Additions during the year	Deductions during the year	As at 31 March 2017	Charge for the year	Deductions during the year	
Property plant and Equipment							
Land *	189.11	5.05	-	194.16	-	-	194.16
Building	3,447.46	-	-	3,447.46	137.41	-	2,610.69
Plant and equipment	0.62	0.61	0.12	1.11	0.15	0.05	0.82
Furniture and fixtures	99.58	3.05	4.43	98.20	11.02	3.15	29.64
Vehicles	11.62	3.65	0.66	14.61	2.51	0.22	6.08
Office equipments	213.38	3.89	2.38	214.89	16.02	2.24	13.62
Computers and networking	237.79	7.92	14.23	231.48	31.42	13.18	45.69
Leasehold improvements	19.64	-	0.86	18.78	7.45	0.86	8.30
Solar power plant	-	62.20	-	62.20	0.15	-	62.05
<b>Total : A</b>	<b>4,219.20</b>	<b>86.37</b>	<b>22.68</b>	<b>4,282.89</b>	<b>202.57</b>	<b>19.70</b>	<b>2,971.05</b>
Intangible assets							
Goodwill	531.84	-	-	531.84	18.66	-	18.67
Computer software	90.93	84.85	-	175.78	60.00	-	80.42
<b>Total : B</b>	<b>622.77</b>	<b>84.85</b>	<b>-</b>	<b>707.62</b>	<b>78.66</b>	<b>-</b>	<b>99.09</b>
<b>Grand Total [A+B]</b>	<b>4,841.97</b>	<b>171.22</b>	<b>22.68</b>	<b>4,990.51</b>	<b>281.23</b>	<b>19.70</b>	<b>3,070.14</b>

\*Refer to note 2.3 for encumbrances on Fixed Asset.



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

(Currency: Rupees in millions)

	As at 31 March 2018			As at 31 March 2017		
	Face value*	Quantity	Amount	Face value*	Quantity	Amount
<b>2.11 Non-current investments</b>						
Investments in equity instruments (quoted)						
Health Care Global Enterprise Limited	-	-	-	10	7,59,926	65.81
Others (unquoted)						
Investments in equity instruments of subsidiaries (fully paid up)						
Edelweiss Housing Finance Limited	10	3,83,00,000	2,829.00	10	3,83,00,000	2,829.00
Edel Commodities Limited	-	-	-	10	50,000	0.50
Edelweiss Capital Markets Limited	10	63,00,000	68.20	10	63,00,000	68.20
EFSL Comtrade Limited	10	1,70,000	6.50	10	1,70,000	6.50
Edelweiss Agri Value Chain Limited	10	10,99,98,269	1,500.50	10	10,00,50,000	1,000.50
			4,404.20			3,904.70
Investments in equity instruments of associate companies (fully paid up)						
Allium Finance Private Limited	10	8,00,000	21.18	10	8,00,000	21.18
Investments in equity instruments of other group companies (fully paid up)						
ECL Finance Limited	1	29,44,72,650	3,862.84	1	14,69,76,650	862.84
Edelweiss Asset Reconstruction Company Limited	10	2,09,64,082	446.43	10	2,09,64,082	446.43
Edelweiss Finvest Private Limited	10	13,27,486	188.37	-	-	-
Investments in equity instruments of other companies (fully paid up)						
Silverglades Infrastructure Private Limited	10	1,900	0.02	10	1,900	0.02
The Catholic Syrian Bank Limited	-	-	-	10	12,14,453	130.59
Less : Diminution in value of investments			-			(4.36)
			-			126.23
Metropolitan Stock Exchange of India Limited	1	3,70,20,000	55.53	1	5,70,20,000	85.53
Less : Diminution in value of investments			-			(28.51)
Mantri Metalics Private Limited	10	4,87,156	60.46	-	-	-
			116.01			183.27
Investments in preference shares of other companies (fully paid up)						
Non cumulative non convertible redeemable						
7% Edelweiss Securities Limited	-	-	-	10	2,60,000	260.00
0.01% Edelweiss Investment Advisors Limited	-	-	-	10	1,60,000	160.00
1% Edelweiss Investment Advisors Limited	-	-	-	10	45,000	45.00
0.01% Edel Land Limited	-	-	-	10	1,25,000	125.11
Non cumulative optionally convertible redeemable						
11% Edelweiss Broking Limited	-	-	-	10	12,67,000	1,267.00
Non cumulative compulsory convertible redeemable						
0.01% Edelweiss Finvest Private Limited	-	-	-	10	13,27,486	188.37
7% Preference shares of Ecap Equities Limited	-	-	-	-	-	1,800.00
			-			3,845.48
Investments in debentures (fully paid up)						
ECL Finance Limited	-	-	-	1,00,000	5,000	500.00
Goldenlife Financial Services Private Limited	5,000	2,000	10.00	5,000	2,000	10.00
10% Mantri Metalics Private Limited	10,00,000	128	128.00	10,00,000	450	468.87
14% Orissa Stevedores Limited	9,26,829	210	200.02	9,26,829	210	220.50
10% Appu Hotels Limited	6,29,122	130	98.29	6,29,122	130	112.04
			436.31			1,311.41
Investments in partnership firm, Capital account						
Edelweiss Wealth Advisors LLP			0.03			0.03
Investment in others						
Edelweiss Private Equity Tech Fund			85.34			43.74
Edelweiss Value and Growth Fund			262.48			-
			9,823.19			10,684.89
Aggregate value of quoted investments						
At carrying value			-			65.81
At market value			-			173.83
Aggregate value of unquoted investment						
At carrying value			9,823.19			10,619.08
Aggregate provisions for diminution in value of investments			-			32.87

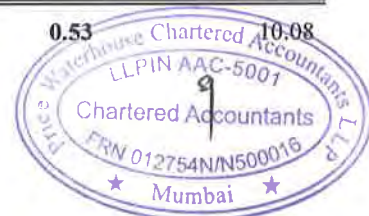
\*Amount in rupees



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

	As at 31 March 2018	As at 31 March 2017
<b>2.12 Deferred tax</b>		
<b>Deferred tax liabilities</b>		
Tax effect of the timing differences on account of:		
Difference between book and tax depreciation	125.48	108.60
Unrealised gain on derivatives	0.01	0.01
Others	36.55	38.10
	<u>162.04</u>	<u>146.71</u>
<b>Deferred tax assets</b>		
Tax effect of the timing differences on account of:		
Provision for doubtful debts	307.07	145.23
Disallowances under section 43B of the Income Tax Act, 1961	34.98	55.38
Others	0.07	11.49
	<u>342.12</u>	<u>212.10</u>
<b>Deferred tax assets (net)</b>	<u>180.08</u>	<u>65.39</u>
<b>2.13 Long-term loans and advances</b>		
<u>Secured- considered good</u>		
Loans and advances to a related party (Secured by hypothecation of Security Receipts)	4,989.26	-
(Unsecured, considered good unless otherwise stated)		
Loans given	17.15	552.93
Capital advances - doubtful (net of provision Rs 226.20 million , previous year Rs Nil )	-	226.20
Other loans and advances		
Advance income tax [net of provision for taxation Rs.223.93 million, (Previous year Rs. 1,355.24 milliom)]	96.45	550.30
	<u>5,102.86</u>	<u>1,329.43</u>
<b>2.14 Other non-current assets</b>		
Long term deposits with banks (Refer note 2.33) (Held as margin money or security against borrowings, guarantees)	11.69	12.28
Accrued interest on fixed deposits	0.16	0.12
	<u>11.85</u>	<u>12.40</u>
<b>2.15 Current investments</b>		
Others (Unquoted)		
Investments in current account with partnership firms (Refer note 2.31)		
Edelweiss Wealth Advisors LLP	0.53	10.08
	<u>0.53</u>	<u>10.08</u>
Aggregate amount of unquoted current investment	0.53	10.08



## Edelweiss Commodities Services Limited

Notes to the financial statements (Continued)

	As at 31 March 2018			As at 31 March 2017		
	Face value*	Quantity	Amount	Face value*	Quantity	Amount
<b>2.16 Stock-in-trade</b>						
<b>Equity shares (quoted)</b>						
India Grid Trust	10	3,686	0.35	-	-	-
Total Transport Systems Limited	10	24,000	1.08	-	-	-
<b>Debentures bonds and Commercial papers (CP) (quoted)</b>						
10.00% Unitech Machines Limited 29.02.2024 NCD	-	-	-	10,00,000	1,300	1,300.00
7.35% Indian Railway Finance Corporation 22.03.2031 NCD	-	-	-	1,000	1,17,635	120.34
7.28% Indian Railway Finance Corporation 21.12.2030 NCD	-	-	-	1,000	60,400	60.88
7.11% Power Finance Corporation Limited 17.10.2025 Bonds	-	-	-	1,000	12,835	12.52
9.21% Punjab National Bank Perpetual Bonds	-	-	-	10,00,000	1,000	1,000.00
7.11% National Thermal Power Corporation Limited 05.10.2025 Bonds	-	-	-	1,000	12,491	12.18
10.75% Tata Bluescope Steel Limited 27.9.2019 NCD	-	-	-	10,00,000	2	1.87
12.00% ECL Finance Limited 26.04.2020 NCD - MTH	-	-	-	1,000	3,000	3.20
8.46% Rural Electrification Corporation Limited 24.09.2018 Bonds	-	-	-	1,000	25,000	27.27
8.46% National Housing Bank 30.08.2028 Bonds	-	-	-	10,00,000	50	54.54
9.50% Yes bank Limited Perpetual Bonds	-	-	-	10,00,000	26	24.12
5.00% New Media Broadcasting Private Limited 18.02.2021 NCD - EAAA	10,00,000	420	420.00	10,00,000	420	420.00
7.39% National Highways Authority of India 09.03.2031 NCD	-	-	-	1,000	23,128	23.55
7.35% National Bank for Agriculture and Rural Development 23.03.2031 Bonds	-	-	-	1,000	15,030	15.25
8.26% India Infrastructure Finance Company Limited 23.08.2028 NCD	-	-	-	10,00,000	36	38.62
7.21% India Infrastructure Finance Company Limited 21.11.2022 NCD	-	-	-	10,00,000	50	48.54
8.48 % India Infrastructure Finance Company Limited 05.09.2028 Bonds	-	-	-	10,00,000	64	70.13
9.30% Dewan Housing Finance Corporation Limited 16.08.2026 BONDS	-	-	-	1,000	74,541	70.59
2.00% Edelweiss Asset Reconstruction Company Limited 28.08.2027 Bonds	9,51,496	2,135	2,031.44	-	-	-
15% Pantaloon Industries Limited 31.03.2017 NCD	-	-	-	1,00,00,000	15	150.00
12.00% Dom Bell Electronics India Private Limited 28.03.2019 NCD	-	-	-	10,00,000	497	492.92
5.00% FLFL Lifestyle Brands Limited 30.03.2022 NCD - EAAA	9,61,780	652	627.08	10,00,000	652	627.08
2.00% Edelweiss Asset Reconstruction Company Limited 28.03.2027 NCD	9,93,720	1,405	1,396.18	10,00,000	2,381	2,381.00
9.00% Muthoot Finance Limited 30.01.2020 Bonds	-	-	-	1,000	5,530	5.52
13.50% Seaways Shipping and Logistics Limited 10.08.2022 NCD - EAAA	10,00,000	186	186.00	-	-	-
1.00% Mosavi Enterprises Private Limited 09.08.2022 NCD - EAAA	10,00,000	278	278.00	-	-	-
2.00% Edelweiss Asset Reconstruction Company Limited 27.04.2027 NCD	10,00,000	1,413	1,413.00	-	-	-
9.75% Edelweiss Retail Finance Limited Perpetual Bonds	10,00,000	81	81.02	-	-	-
9.00% Edelweiss Retail Finance Limited - Series III 19.08.2020 NCD	10,00,000	400	415.00	-	-	-
			6,847.72			6,960.12
<b>Debentures and Commercial papers (CP) (unquoted)</b>						
Menora Developers & Infrastructure Private Limited CCD	-	-	-	1,00,00,000	25	250.00
12.45% Future Corporate Resources Limited 17.03.2018 NCD - CFI	-	-	-	1,00,00,000	250	2,500.00
15% Future Corporate Resources Limited 31.03.2017 NCD	-	-	-	1,00,00,000	40	400.00
ECL Finance Ltd 28.04.17 CP	-	-	-	5,00,000	100	49.75
ECL Finance 23.06.2017 CP	-	-	-	5,00,000	500	246.09
AHA Holdings Private Limited	-	-	-	5,00,000	7,000	3,462.93
7.25% Avantha Holdings Limited 08.08.2018 NCD	-	-	-	10,00,183	100	93.03
ECL Finance Limited NLD	1,00,000	420	42.00	-	-	-
Ecap Equities Limited NLD	1,00,000	9,415	1,002.65	-	-	-
Ecap Equities Limited NLD	1,00,00,000	75	750.00	-	-	-
Edelweiss Finvest Private Limited NLD	1,00,00,000	550	55.00	-	-	-
Modella Textiles Industries Limited - CFI	10,00,000	100	100.00	-	-	-
0.00% Vipul Limited 23.05.2022 NCD - CFI	5,00,000	1,500	750.00	1,00,00,000	9	90.00
12.00% Gonibedu Coffee Estates Private Limited 29.05.2019 NCD - CFI	94,73,684	84	710.53	-	-	-
12.75% Mahan Synthetic Textiles Private Limited 18.12.2016 NCD - CFI	32,22,237	80	257.78	82,28,726	80	658.30
Less : Provision for doubtful debt	-	-	(240.50)	-	-	-
14.50% Renaissance Indus Infra Private Limited 21.09.2023 NCD - CFI	10,00,000	2,800	2,800.00	-	-	-
13.00% Parsvanath Developers Limited 15.04.2019 NCD - CFI	5,00,000	5,500	2,750.00	5,00,000	5,500	2,750.00
14.50% GVK Energy Limited 31.07.2018 NCD - CFI	1,00,00,000	45	450.00	1,00,00,000	45	450.00
13.75% E-COMPLEX PRIVATE LIMITED 30.09.2021 NCD - CFI	1,39,86,860	50	699.34	1,00,00,000	50	500.00
16.85% Rohan Developers Private Limited 29.02.2020 NCD	-	-	-	10,00,000	1,900	1,900.00
Reliance Infrastructure Limited 05.10.2018 CP - CFI	4,76,706	1,000	476.71	-	-	-
Gnyatri Energy Ventures Private Limited - CFI	9,37,500	700	612.50	-	-	-
10.00% Reliance Project Ventures and Management Private Limited 08.10.2022 NCD - EAAA	10,00,000	435	435.00	-	-	-
0.00% Gangadi Investments Private Limited 15.12.2021 NCD - EAAA	1,00,000	2,919	291.90	-	-	-
5.00% Gangadi Investments Private Limited 15.12.2020 NCD SR-I - EAAA	1,00,000	2,061	206.10	-	-	-
			12,149.01			13,350.10



# Edelweiss Commodities Services Limited

Notes to the financial statements (Continued)

	As at 31 March 2018			As at 31 March 2017		
	Face value*	Quantity	Amount	Face value*	Quantity	Amount
<b>Preference shares (quoted)</b>						
6.00% Zee Entertainment Enterprises Limited 05.03.2022 Preference Shares Sr-I	10	3,21,901	2.01	-	-	-
7.50 % Redeemable Preference Shares - Vedanta Limited	10	84,845	0.89	-	-	-
<b>Mutual Fund</b>						
JM High Liquidity Fund - Direct - Growth	10	42,09,808	200.00	-	-	-
Less :Mark to Market loss	-	-	-	-	-	-
BOI Axa Treasury Advantage Fund - Direct - Growth	10	2,49,411	530.00	-	-	-
			730.00			-
<b>Commodities</b>						
Agricultural products			46.20			97.78
Bullion			1,381.66			2,583.29
Other metals			-			0.20
			1,427.86			2,681.27
			<u>21,158.92</u>			<u>22,991.49</u>
<b>Aggregate value of quoted investments</b>						
At carrying value			4.33			-
At market value			4.37			-
<b>Aggregate value of unquoted investment</b>						
At carrying value			19,726.73			20,310.22

\* Amounts in rupees



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

	As at 31 March 2018	As at 31 March 2017
<b>2.17 Trade receivables</b>		
Unsecured, considered doubtful		
Outstanding for a period exceeding six months	74.67	82.26
Others	-	-
	<u>74.67</u>	<u>82.26</u>
Less: Provision for doubtful debts	<u>74.67</u>	<u>82.26</u>
	-	-
Unsecured, considered good		
Outstanding for a period exceeding six months	-	-
Others	353.68	452.15
	<u>353.68</u>	<u>452.15</u>
<b>2.18 Cash and bank balances</b>		
Cash and cash equivalents		
Cash on hand	0.05	0.06
Cheques in hand	1,500.00	-
Fixed deposits with original maturity less than 3 months	0.10	0.10
Balances with banks		
Current accounts	549.14	602.02
	<u>2,049.29</u>	<u>602.18</u>
Other balances with banks		
Deposits with maturity more than three months but less than 12 months		
To the extent held as margin money or security against borrowings, guarantees (Refer note 2.33)	148.90	1,693.41
	<u>2,198.19</u>	<u>2,295.59</u>





# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

	As at 31 March 2018	As at 31 March 2017
<b>2.19 Short-term loans and advances</b>		
Unsecured, considered good		
Loans and advances to related parties (Refer note 2.30)	46,009.46	54,737.96
	-	-
Other loans and advances		
Loans given *	14,072.02	2,411.32
Deposits placed with exchanges	4.66	5.71
Advances to others	0.19	0.09
Security deposits	36.46	28.59
Prepaid expenses	7.38	4.39
Loans and advances to employees	0.43	0.51
Vendor advances	202.93	151.98
Inter corporate deposits placed with a related party	3,600.00	3,300.00
Inter corporate deposits placed with others	1,487.50	11,140.00
Input tax credit	179.35	181.94
Advance income tax [net of provision for taxation Rs. 1,645.98 million, (Previous year: Rs. 426.26 million)]	1,007.84	68.80
Contribution to gratuity fund (Refer note 2.40)	10.24	2.53
Advances recoverable in cash or in kind or for value to be received	0.93	-
	<b>66,619.39</b>	<b>72,033.82</b>
<b>2.20 Other current assets</b>		
Unsecured, considered good		
Accrued interest on fixed deposits	0.47	0.71
Accrued interest on inter corporate deposits	44.20	36.56
Accrued interest on debt instruments	1,514.35	1,236.33
Accrued interest on loans	187.22	663.13
Receivable from exchange / clearing house (net)	0.52	4.33
Margin placed with broker	61.41	29.48
	<b>1,808.17</b>	<b>1,970.54</b>

\* Loans have been given for general corporate business



# Edelweiss Commodities Services Limited

## Notes to the financial statements (Continued)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>2.21 Fee and commission income</b>		
Advisory, other fees and commodities broking income	251.81	5.40
	<u>251.81</u>	<u>5.40</u>
<b>2.22 Income from treasury operations and investments</b>		
Loss on trading of securities (net)	(201.40)	(111.41)
Loss on trading in equity derivative instruments (net)	(8.40)	-
Loss on trading in commodity derivative instruments (net)	-	(603.13)
(Loss)/profit on trading in currency derivative instruments (net)	(1.76)	175.44
Loss on trading in interest rate derivative (net)	-	(8.86)
(Loss)/gain due to foreign exchange movement on trade	(0.06)	7.23
Yield on real estate advances	-	11.20
Profit on sale of long term investment	297.68	109.24
Dividend on stock-in-trade	158.23	0.01
Profit/(loss) on benchmark linked debenture	-	(136.80)
Share of profit/(loss) in partnership firm	14.91	(25.43)
	<u>259.20</u>	<u>(582.51)</u>
<b>2.23 Interest income</b>		
Interest income on loan	7,233.82	6,576.27
Interest income on loan to subsidiary companies	1,098.33	1,693.07
Interest income on intercorporate deposits	735.65	36.94
Interest income on fixed deposits	72.42	234.19
Interest income on debt instrument	3,551.05	905.96
Interest income on margin with brokers	2.76	0.83
Interest income on delayed payments	(27.46)	89.01
	<u>12,666.57</u>	<u>9,536.27</u>
<b>2.24 Other operating revenue</b>		
Rental income (Refer note 2.42)	458.21	393.96
	<u>458.21</u>	<u>393.96</u>
<b>2.25 Other income</b>		
Profit on sale of fixed assets (net)	43.84	-
Miscellaneous income	4.50	50.36
	<u>48.34</u>	<u>50.36</u>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>2.26 Employee benefit expenses</b>		
Salaries, wages and Bonus (refer notes 2.40 and 2.42)	225.34	343.96
Contribution to provident and other funds (refer note 2.40)	5.05	8.55
Staff welfare expenses	15.21	13.99
	<u>245.60</u>	<u>366.50</u>
<b>2.27 Finance costs</b>		
Interest on debentures	3,007.98	1,290.07
Interest on inter-corporate deposits	93.47	55.22
Interest on term loan	135.44	280.93
Interest on bank overdraft	16.96	176.56
Interest on loan from holding company	513.64	558.69
Interest on loan from fellow subsidiaries	827.65	635.58
Interest on loan from others	758.68	454.66
Interest - others	2.93	27.09
Interest on margin	-	1.68
Discount on commercial paper	5,598.92	5,400.51
Financial and bank charges	405.84	156.83
Interest on buyer's credit	-	2.67
	<u>11,361.51</u>	<u>9,040.49</u>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (Continued)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>2.28 Other expenses</b>		
Advertisement and business promotion	2.69	0.41
Auditor's remuneration (refer note below)	4.26	4.78
Bad debts written off	135.70	-
Commission and brokerage	10.95	0.38
Communication expenses	6.88	7.27
Commodity transaction tax	-	4.90
Computer expenses	35.70	33.78
Clearing and custodian charges	(1.06)	(16.78)
Contribution towards corporate social responsibilities	5.10	0.50
Dematerialisation charges	0.40	1.06
Diminution in value of non-current investments	(32.87)	4.36
Directors' sitting fees	0.55	0.42
Electricity charges (net) (refer note 2.42)	6.48	23.72
Insurance	0.15	0.22
Legal and professional fees	120.85	44.99
Loss on sale of fixed assets (net)	-	1.21
Membership and subscription	0.59	1.09
Office expenses	103.90	118.51
Postage and courier	7.80	6.19
Printing and stationery	3.29	2.71
Provision for doubtful debts	459.85	12.13
Rates and taxes	8.43	(4.56)
Rating support fees	0.92	103.30
Rent (Refer note 2.39)	34.54	35.35
Repairs and maintenance - others	24.85	18.48
ROC expenses	-	0.02
Service tax expenses	38.83	47.80
Stamp duty	2.72	1.78
Stock exchange expenses	0.96	4.97
Transportation charges	(8.23)	16.53
Travelling and conveyance	8.85	11.13
Warehousing charges [net of recoveries Rs. 0.97 million (Previous year Rs. 221.52 million)]	10.24	97.94
Miscellaneous expenses	1.83	2.18
	<b>995.15</b>	<b>586.77</b>
<b>Auditor's remuneration:</b>		
As auditors	4.15	4.49
Reimbursement of expenses	0.11	0.29
	<b>4.26</b>	<b>4.78</b>



## Edelweiss Commodities Services Limited

### Notes to Financial Statements (continued)

(Currency: Rupees in millions)

#### 2.29 Segment reporting

##### Primary Segment (Business segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Income from Physical commodity trading, Rental Income and derivatives related income
Treasury management	Interest income and investment activity
Agency Business	Income from Real Estate Advisory activities

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

##### Secondary Segment

Since the 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.

The following table gives information as required under the Accounting Standard-17 on Segment Reporting:

Particulars	As at/ For the year ended 31 March 2018	As at/ For the year ended 31 March 2017
<b>I Segment Revenue</b>		
a) Capital based business	19,803.22	33,992.91
b) Treasury	13,089.67	9,212.24
c) Agency	251.81	-
d) Unallocated	-	-
<b>Total Income</b>	<b>33,144.70</b>	<b>43,205.15</b>
<b>II Segment Results</b>		
a) Capital based business	(622.56)	563.10
b) Treasury	1,237.18	244.86
c) Agency	142.15	-
d) Unallocated	(4.26)	(0.22)
<b>Total</b>	<b>752.51</b>	<b>807.74</b>
<b>Profit before taxation</b>	<b>752.51</b>	<b>807.74</b>
Less : Provision for taxation	236.45	236.25
<b>Profit after taxation</b>	<b>516.06</b>	<b>571.49</b>
<b>III Segment Assets</b>		
a) Capital based business	7,013.97	9,057.06
b) Treasury	1,01,523.51	1,05,174.76
c) Agency	256.95	-
d) Unallocated	1,284.38	684.49
<b>Total</b>	<b>1,10,078.81</b>	<b>1,14,916.31</b>
<b>IV Segment Liabilities</b>		
a) Capital based business	518.30	6,473.45
b) Treasury	1,03,541.12	1,02,638.55
c) Agency	15.00	-
d) Unallocated	250.09	47.32
<b>Total</b>	<b>1,04,324.51</b>	<b>1,09,159.32</b>
<b>V Capital expenditure (Including intangibles under development)</b>		
a) Capital based business	18.10	84.05
b) Treasury	17.70	9.45
c) Agency	-	-
d) Unallocated	-	-
<b>Total</b>	<b>35.80</b>	<b>93.50</b>
<b>VI Depreciation and amortisation</b>		
a) Capital based business	192.99	235.42
b) Treasury	32.14	45.82
c) Agency	-	-
d) Unallocated	-	-
<b>Total</b>	<b>225.13</b>	<b>281.24</b>
<b>VII Significant non-cash expenses other than depreciation and amortisation</b>		
a) Capital based business	(35.79)	24.38
b) Treasury	403.32	23.02
c) Agency	-	-
d) Unallocated	-	-
<b>Total</b>	<b>367.53</b>	<b>47.40</b>



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.30 Disclosure as required by Accounting Standard 18 – “Related Party Transactions” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014:

Sr. No.	Particulars
<b>A.</b>	<b>Names of related parties by whom control is exercised</b>
	Edelweiss Financial Services Limited, ultimate holding company
<b>B.</b>	<b>Subsidiaries which are controlled by the Company</b>
	Edelweiss Agri Value Chain Limited
	Edelweiss Capital Markets Limited
	Edelweiss Housing Finance Limited
	Edel Commodities Limited
	EFSL Comrade Limited
	EFSL Trading Limited
	Edelweiss Commodities Pte Limited (till 6 <sup>th</sup> December 2017)
	Edelweiss Tarim Urunleri Anonim Sirketi (till 27 <sup>th</sup> February 2018)
<b>C.</b>	<b>Fellow Subsidiaries with whom the Company has transactions</b>
	EC Commodity Limited
	Edelweiss Securities Limited
	Edelweiss Finance & Investments Limited
	ECL Finance Limited



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.30 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):

C.	Fellow Subsidiaries with whom the Company has transactions (continued)
	Edelweiss Business Services Limited
	Edelweiss Custodial Services Limited
	Edelweiss Trustee Services Limited
	Edelweiss Asset Management Limited
	Edelcap Securities Limited
	ECap Equities Limited
	Edelweiss Broking Limited
	Edelweiss Investment Adviser Limited
	Edel Land Limited
	Edelweiss Global Wealth Management Limited
	Edelweiss Comtrade Limited
	Edel Finance Company Limited
	Edelweiss Insurance Brokers Limited
	Edelweiss Tokio Life Insurance Company Limited
	Edelweiss Alternative Asset Advisors Limited
	Edel Investments Limited
	Aster Commodities DMCC
	Edelweiss Multi Strategy Funds Management Private Limited
	Edelgive Foundation
	Edelweiss Finvest Private Limited
	Auris Corporate Centre Limited (merged with Ecap Equities Limited w.e.f 1 <sup>st</sup> April 2017 )
	Burlington Business Solutions Limited (merged with Ecap Equities Limited w.e.f 1 <sup>st</sup> April 2017 )
	Edelweiss Retail Finance Limited
	Olive Business Centre Limited (merged with Ecap Equities Limited w.e.f 1 <sup>st</sup> April 2017 )
	Eternity Business Centre Limited (merged with Ecap Equities Limited w.e.f 1 <sup>st</sup> April 2017 )
	Serenity Business Park Limited (merged with Ecap Equities Limited w.e.f 1 <sup>st</sup> April 2017 )
	Edelweiss Asset Reconstruction Company Limited
	Edelweiss General Insurance Company Limited
	EW Clover Scheme
	Edelweiss Trusteeship Company Limited



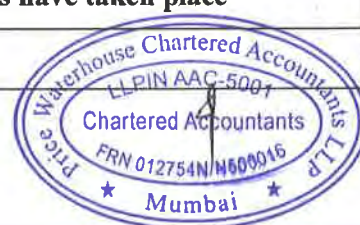
# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.30 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):

<b>C.</b>	<b>Fellow Subsidiaries with whom the Company has transactions (continued)</b>
	Edelweiss Capital Singapore Pte Limited
	EC International Limited, Mauritius
	Edelweiss Alternative Asset Advisors Pte Limited
	Edelweiss International Singapore Pte Limited
	Edelweiss Investment Advisors Private Limited
	EAAA, LLC
	EW Special Opportunities Advisors LLC
	EW India Special Assets Advisors LLC
	Edelweiss Securities (Hong kong) Private Limited
	Edelweiss Financial Services Inc
	Edelweiss India Capital Management
	EFSL International Limited
	Edelweiss Financial Services ( UK) Limited
	Edelweiss Holdings Limited
	Edelweiss Securities ( IFSC) Limited
	Alternative Investment Market Advisors Private Limited
<b>D.</b>	<b>Associate company with whom the Company has transactions</b>
	Allium Finance Private Limited
<b>E.</b>	<b>Enterprises in which fellow subsidiary companies exercise significant influence with whom transactions have taken place:</b>
	Edelweiss Multi Strategy Fund Advisors LLP (formerly known as Forefront Alternative Investment Advisors LLP)
	Edelweiss Wealth Advisors LLP (formerly known as Forefront Wealth Advisors LLP)
	Edelweiss Private Equity Tech Fund
	Edelweiss Value and Growth Fund
<b>F.</b>	<b>Key Management Personnel with whom transactions have taken place</b>
	Mr. Rujan Panjwani (Executive Director)





## Edelweiss Commodities Services Limited

### Note to financials statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
<b>Capital account transactions during the year</b>			
Interim dividend paid/proposed	Edelweiss Financial Services Limited	248.62	452.59
	Others - Fellow subsidiary Company	1.40	1.40
<b>Current account transactions during the year</b>			
Inter-corporate deposits repaid to	Edelweiss Asset Management Limited	-	42.00
Inter-corporate deposits placed with	EW Clover Scheme1	36,998.50	1,570.00
	Edelweiss Asset Reconstruction Company Limited	8,100.00	3,300.00
Inter corporate deposits repaid by	EW Clover Scheme1	36,998.50	1,570.00
	Edelweiss Asset Reconstruction Company Limited	7,800.00	-
Short term loans taken from (Refer note 1 and 2)	Edelweiss Financial Services Limited	23,205.31	39,093.19
	Edelweiss Agri Value Chain Limited	9,923.72	5,364.77
	ECap Equities Limited	4,152.40	6,000.50
	ECL Finance Limited	6,453.41	4,530.32
	Others - Fellow subsidiary Company	3,781.79	4,094.37
	Others - Subsidiary Company	512.40	789.60
	Fellow - Others	50.00	-
Short term loans repaid to (Refer note 1 and 2)	Edelweiss Financial Services Limited	20,658.78	39,393.77
	Edelweiss Agri Value Chain Limited	11,651.59	3,449.25
	Ecap Equities Limited	10,074.00	78.90
	ECL Finance Limited	6,453.41	4,530.32
	Others - Fellow subsidiary Company	4,176.63	3,830.01
	Others - Subsidiary Company	512.40	789.60
	Fellow - Others	50.00	-
Long term loans repaid to (Refer note 1 and 2)	Edelweiss Asset Reconstruction Company Limited	160.50	-
	Edelweiss Insurance Brokers Limited	-	0.50
Short term loans given to (Refer note 1 and 2)	ECap Equities Limited	63,397.93	61,817.23
	ECL Finance Limited	47,426.59	64,169.55
	Edel Commodities Limited	3,735.40	9,706.95
	Edelweiss Financial Services Limited	2,968.60	10,397.01
	Others - Fellow subsidiary Company	96,970.34	1,10,660.93
	Others - Subsidiary Company	33,716.02	40,346.12
	Fellow - Others	1.73	19.33
Short term loans repaid by (Refer note 1 and 2)	ECap Equities Limited	61,166.87	68,741.40
	ECL Finance Limited	49,382.44	50,836.28
	Edelcap Securities Limited	11,191.78	12,336.80
	Edelweiss Financial Services Limited	10,118.93	3,246.69
	Others - Fellow subsidiary Company	79,542.93	83,176.31
	Others - Subsidiary Company	40,284.91	47,007.21
	Fellow - Others	57.93	4.30
Long term loans repaid by (Refer note 1 and 2)	Edelweiss Asset Reconstruction Company Limited	-	-
Commercial paper subscribed by	ECap Equities Limited	43,000.00	-
Commercial paper repaid to	ECap Equities Limited	48,000.00	-
Non Convertible Debentures subscribed by	ECap Equities Limited	200.00	-
Redemption of Stock in trade in debentures of	Edelweiss Asset Reconstruction Company Limited	984.82	-



## Edelweiss Commodities Services Limited

### Note to financials statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
Security deposit given to	EFSL Comtrade Limited	0.10	0.40
	Eternity Business Centre Limited	-	0.40
	Serenity Business Park Limited	-	0.40
	Edelweiss Housing Finance Limited	-	0.50
	Edelweiss Financial Services Limited	-	0.10
	Others - Subsidiary Company	-	0.40
Security deposit received from	EFSL Comtrade Limited	0.10	0.40
	Edelweiss Financial Services Limited	0.10	-
	Eternity Business Centre Limited	-	0.40
	Serenity Business Park Limited	-	0.40
	Edelweiss Agri Value Chain Limited	-	0.40
	Edelweiss Housing Finance Limited	-	0.60
	Edel Commodities Limited	-	0.20
Rental deposits received	Edelweiss Asset Reconstruction Company Limited	-	50.00
<b>Investments</b>			
Investments in equity shares of	Edelweiss Agri Value Chain Limited	500.00	-
	Edelweiss Asset Reconstruction Company Limited	-	446.43
Investments in equity shares sold to	EFSL Comtrade Limited	0.50	-
	Ecap Equities Limited	-	422.23
Investments in preference shares purchase from	Edelweiss Broking Limited	-	600.00
	Ecap Equities Limited	-	1,800.00
Investment in others	Edelweiss Value and Growth Fund	262.48	-
	Edelweiss Private Equity Tech Fund	41.60	43.74
Investments in debentures of	Edelweiss Asset Reconstruction Company Limited	3,444.44	-
	Edelweiss Retail Finance Limited	496.02	-
Investments in Nifty Linked Debentures (NLD) of	Ecap Equities Limited	1,752.65	-
	Edelweiss Finvest Private Limited	55.00	-
	ECL Finance Limited	42.00	-
Redemption in debentures of	Edelweiss Asset Reconstructon Co.Ltd	984.82	-
Redemption of preference shares	Ecap Equities Limited	1,800.00	-
	Edelweiss Broking Limited	1,267.00	-
	Others - Fellow Subsidiary Company	590.00	-
<b>Secondary market transactions (acting as broker)</b>			
Margin placed with (Refer note 1 and 2)	Edelweiss Securities Limited	408.49	168.31
	Edelweiss Custodial Services Limited	135.96	25.39
Margin withdrawn from (Refer note 1 and 2)	Edelweiss Securities Limited	411.55	248.88
	Edelweiss Custodial Services Limited	100.97	0.48
Margin received from (Refer note 1 and 2)	Edelweiss Metals Limited	-	149.83
	EFSL Comtrade Limited	-	0.50
Margin repaid to (Refer note 1 and 2)	EC Commodity Limited	-	140.43
	Edelweiss Metals Limited	-	150.03
	Others - Subsidiary Company	-	0.50
Purchase of commodities from	EC Commodity Limited	2,451.93	-



## Edelweiss Commodities Services Limited

### Note to financial statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
	EFSL Comtrade Ltd	599.70	-
	Edel Commodities Limited	906.01	-
	Aster Commodities DMCC	-	416.22
	Edelcap Securities Limited	-	44.08
Sale of commodities to	EC Commodity Limited	2,567.43	-
	Edelweiss Metals Limited	-	4,388.38
Purchase/subscription of debentures from	ECL Finance Limited	7,605.87	6,006.92
	Edelweiss Asset Reconstruction Company Limited	3,511.00	5,681.00
	ECap Equities Limited	1,203.93	6,363.37
	Edelweiss Finance & Investments Limited	653.16	4,377.12
	Others - Fellow subsidiary Company	246.84	1,330.39
Sale/redemption of debentures to	ECL Finance Limited	13,855.35	10,741.46
	ECap Equities Limited	9,544.31	7,964.99
	Edelweiss Finance & Investments Limited	4,227.34	4,807.89
	Edelweiss Finvest Private Limited	2,501.53	1,276.76
	Others - Fellow subsidiary Company	1,538.50	2,278.13
Purchase/subscription of commercial paper from	ECap Equities Limited	34,396.42	37,640.46
	ECL Finance Limited	14,970.12	31,818.98
	Edelweiss Securities Limited	14,920.45	40,269.35
	Edelweiss Financial Services Limited	-	1,986.94
Sale/redemption of commercial paper to	ECap Equities Limited	42,829.35	92,383.18
	ECL Finance Limited	4,997.23	9,777.26
	Edelweiss Financial Services Limited	-	10,823.88
	Edelweiss Securities Limited	-	2,270.00
	Others - Subsidiary Company	-	4,519.07
Sale/redemption of certificate of deposit to	ECap Equities Limited	2,737.24	-
Purchase / Subscription of certificate of deposit from	ECap Equities Limited	2,279.71	247.53
Sale/redemption of preference shares to	ECL Finance Limited	414.63	-
	Edelweiss Broking Limited	83.25	-
	Edelweiss Finance & Investments Limited	35.04	-
Purchase / Subscription of pref.Shares from	Edelweiss Finvest Private Limited	83.82	-
	Edelweiss Finance & Investments Limited	4.03	2.51
	ECL Finance Limited	-	2,400.00
Reimbursements paid to	Edelweiss Agri Value Chain Limited	326.39	39.07
	Edelweiss Insurance Brokers Limited	79.95	-
	Edelweiss Multi Strategy Fund Advisors LLP	79.59	-
	ECL Finance Limited	26.89	203.35
	Edelweiss Financial Services Limited	1.16	268.19
	Others - Fellow subsidiary Company	152.59	251.33
	Others - Subsidiary Company	27.48	25.37
	Fellow - Others	23.06	-
	Others - Associate Company	1.96	6.23
Reimbursement recovered from	Edelweiss Agri Value Chain Limited	326.39	39.07
	Edelweiss Multi Strategy Fund Advisors LLP	78.36	-
	Edelweiss Insurance Brokers Limited	84.30	-
	ECL Finance Limited	26.89	203.35
	Edelweiss Financial Services Limited	1.16	268.20
	Others - Fellow subsidiary Company	152.98	251.33



## Edelweiss Commodities Services Limited

### Note to financial statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
	Others - Subsidiary Company	27.48	25.37
	Fellow - Others	23.06	-
	Others - Associate Company	1.84	6.23
Remuneration paid to	Rujan Panjwani	42.35	39.50
<b>Income</b>			
Interest income on debentures from	Edelweiss Asset Reconstruction Company Limited	523.74	8.12
	ECL Finance Limited	23.56	47.48
	Edelweiss Housing Finance Limited	9.75	7.45
	Edelweiss Financial Services Limited	-	1.60
	Others - Fellow subsidiary Company	31.23	-
	Others - Subsidiary Company	-	0.81
Interest income on Commercial paper from	Edelweiss Securities Limited	30.26	61.53
	ECL Finance Limited	29.53	53.84
	Edelweiss Financial Services Limited	14.81	26.75
	Others - Subsidiary Company	-	3.45
	Others - Fellow subsidiary Company	-	2.78
Interest income on loan from	ECap Equities Limited	1,530.48	1,354.17
	ECL Finance Limited	1,304.69	537.47
	Edel Commodities Limited	454.86	545.04
	Edelweiss Investment Adviser Limited	441.28	683.64
	Edelweiss Financial Services Limited	213.26	442.18
	Others - Fellow subsidiary Company	3,068.37	2,308.72
	Others - Subsidiary Company	621.62	832.73
	Fellow - Others	1.43	3.46
Interest income on intercorporate deposits	Edelweiss Asset Reconstruction Company Limited	122.62	13.11
	BW Clover Scheme I	82.63	2.84
Interest income on margin placed with	Edelweiss Custodial Services Limited	2.52	0.03
	Edelweiss Securities Limited	0.24	0.80
Share of Profit in LLP	Edelweiss Wealth Advisors LLP	14.91	-
Rental income from	ECL Finance Limited	90.98	56.22
	Edelweiss Financial Services Limited	60.35	68.74
	Edelweiss Securities Limited	49.06	54.38
	Edelweiss Business Services Limited	42.90	4.06
	Edelweiss Tokio Life Insurance Company Limited	3.01	2.00
	Others - Fellow subsidiary Company	139.47	85.15
	Others - Subsidiary Company	10.08	21.73
	Others - Associate Company	0.02	0.25
Cost reimbursements recovered from	ECL Finance Limited	15.38	9.31
	Edelweiss Business Services Limited	12.20	1.07
	Edelweiss Securities Limited	10.37	8.45
	Edelweiss Financial Services Limited	7.89	10.79
	Others - Fellow subsidiary Company	18.73	17.15
	Others - Subsidiary Company	1.55	3.89
	Others - Associate Company	-	0.05
<b>Expenses</b>			
Clearing expenses to	Edelweiss Custodial Services Limited	0.20	0.20
Contribution towards corporate social responsibilities	Edelgive Foundation	5.10	0.50
Cost reimbursement to	Edelweiss Alternative Asset Advisors Limited	48.60	-



## Edelweiss Commodities Services Limited

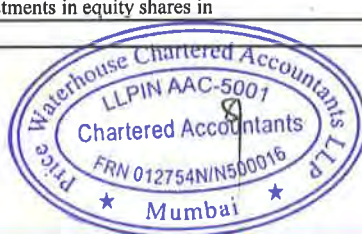
### Note to financial statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
	Edelweiss Business Services Limited	29.73	0.34
	Eternity Business Centre Limited	-	5.24
	Edelweiss Financial Services Limited	0.80	1.60
	Edelweiss Agri Value Chain Limited	0.39	8.04
	Edelweiss Securities Limited	0.26	1.62
	Others - Fellow subsidiary Company	9.57	0.72
	Others - Subsidiary Company	0.02	-
Interest expense on inter-corporate deposits from	Edelweiss Asset Management Limited	-	2.40
Interest expenses on loans from	Edelweiss Agri Value Chain Limited	573.67	389.90
	Edelweiss Financial Services Limited	513.64	558.69
	Edelweiss Finvest Private Limited	171.20	38.57
	Others - Fellow subsidiary Company	79.01	227.12
	Others - Subsidiary Company	2.96	1.70
	Fellow - Others	0.79	-
Interest expenses on margin placed by	EC Commodity Limited	-	0.27
	Others - Subsidiary Company	-	0.01
Rating fees to and Bank guarantee commission	Edelweiss Financial Services Limited	143.70	103.30
Warehouse expenses to	Edelweiss Agri Value Chain Limited	-	279.99
	Others - Fellow subsidiary Company	-	17.34
Demurrage charges paid to	Aster Commodities DMCC	-	13.56
Insurance claim received from	Edelweiss Agri Value Chain Limited	-	49.20
<b>Balances with related parties as on 31 March 2017 - (Assets)</b>			
Accrued interest income on loans given to	ECap Equities Limited	57.81	139.47
	Edelcap Securities Limited	33.43	28.76
	Edelweiss Broking Limited	27.80	13.06
	Edel Commodities Limited	12.28	47.63
	Edelweiss Securities Limited	4.77	69.54
	Edelweiss Investment Adviser Limited	0.46	132.60
	Edelweiss Financial Services Limited	-	39.54
	ECL Finance Limited	-	0.03
	Others - Fellow subsidiary Company	19.13	37.27
	Others - Subsidiary Company	10.57	45.98
	Fellow - Others	-	0.42
Interest receivable on debentures from	Edelweiss Retail Finace Limited	24.07	-
	Edelweiss Asset Reconstruction Company Limited	2.59	-
	Edelweiss Tokio Life Insurance Company Limited	-	0.25
	Others - Fellow subsidiary Company	-	0.16
Inter-corporate deposits placed with	Edelweiss Asset Reconstruction Company Limited	3,600.00	3,300.00
Advance recoverable in cash or in kind	Edelweiss Global Wealth Management Limited	0.30	-
	EPFL Commodities Limited	-	-
Investments in debentures of	ECL Finance Limited	-	500.00
Investment in Partnership Firm	Edelweiss Wealth Advisors LLP	0.57	10.11
Investments in equity shares in	ECL Finance Limited	3,862.84	862.84
	Edelweiss Housing Finance Limited	2,829.00	2,829.00



## Edelweiss Commodities Services Limited

### Note to financials statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
	Edelweiss Agri Value Chain Limited	1,500.50	1,000.50
	Edelweiss Asset Reconstruction Company Limited	446.43	446.43
	Edelweiss Finvest Private Limited	188.37	-
	Others - Subsidiary Company	74.70	75.20
	Others - Associate Company	21.18	21.18
Investments in preference shares in	Edel Land Limited	-	125.11
	Edelweiss Broking Limited	-	1,267.00
	ECap Equities Limited	-	1,800.00
	Edelweiss Securities Limited	-	260.00
	Edelweiss Investment Advisors Limited	-	205.00
	Edelweiss Finvest Private Limited	-	188.37
Investment in others	Edelweiss Value and Growth Fund	262.48	-
	Edelweiss Private Equity Tech Fund	85.34	43.74
<b>Margin on trading of securities (net)</b>			
Margin receivable from	Edelweiss Custodial Services Limited	59.89	24.91
	Edelweiss Securities Limited	1.52	4.57
		-	-
Trade receivables from	ECL Finance Limited	44.50	-
	Edelweiss Securities Limited	10.02	-
	Edelweiss Tokio Life Insurance Company Limited	4.05	2.30
	Edelweiss Global Wealth Management Limited	2.01	0.86
	Edel Land Limited	0.42	3.36
	Edelweiss Agri Value Chain Limited	-	0.85
	Edelweiss Financial Services Limited	-	0.43
	Others - Fellow subsidiary Company	24.29	0.01
	Others - Subsidiary Company	3.14	0.21
	Others - Associate Company	0.11	-
Short term loans and advances given to	ECL Finance Limited	12,124.88	14,126.93
	Edelweiss Finvest Private Limited	7,761.96	-
	Edelweiss Broking Limited	6,338.43	1,599.63
	Edel Commodities Limited	5,093.43	6,201.24
	Others - Subsidiary Company	2,570.53	4,652.08
	Edelweiss Securities Limited	1,087.52	6,521.32
	Edelweiss Financial Services Limited	-	7,150.33
	Edelweiss Investment Adviser Limited	-	4,091.29
	Others - Fellow subsidiary Company	11,032.60	10,338.95
	Fellow - Others	-	56.20
Long term loans given to	Edelweiss Asset Reconstruction Company Limited	4,989.26	-
Stock in trade in debentures of	ECL Finance Limited	-	3.20
	Edelweiss Asset Reconstruction Company Limited	4,840.62	2,381.00
	Edelweiss Retail Finance Limited	496.02	-
Stock in trade in commercial papers of	ECL Finance Limited	-	3,758.77
Stock in trade in Nifty Linked Debentures (NLD) of	ECap Equities Limited	1,752.65	-
	Edelweiss Finvest Private Limited	55.00	-
	ECL Finance Limited	42.00	-
<b>Balances with related parties as on 31 March 2017 - (Liabilities)</b>			
Dividend payable to	ECL Finance Limited	0.70	0.70



## Edelweiss Commodities Services Limited

### Note to financial statements (Continued)

(Currency : Rupees in millions)

#### 2.30 Related Parties (Continued)

##### (G) Transactions and balances with related parties:

Particulars	Name of related parties	2017-2018	2016-2017
	Edelweiss Securities Limited	0.70	0.70
	Edelweiss Financial Services Limited	-	199.49
Accrued interest expense on loans taken from	Edelweiss Financial Services Limited	29.15	23.09
	Edelweiss Agri Value Chain Limited	1.34	74.72
	Others - Fellow subsidiary Company	0.56	7.62
	Others - Subsidiary Company	0.08	0.08
Commercial papers subscribed by	ECap Equities Limited	-	5,000.00
Rental deposits payable to	Edelweiss Asset Reconstruction Company Limited	50.00	50.00
Trade payables to	Edelweiss Financial Services Limited	140.81	-
	Edelweiss Alternative Asset Advisors Limited	50.69	-
	Others - Subsidiary Company	9.66	-
	Others - Fellow subsidiary Company	7.61	0.03
	EC Commodity Limited	-	1.24
	Edelweiss Multi Strategy Fund Advisors LLP	-	1.23
	Edelweiss Insurance Brokers Limited	-	0.49
	ECL Finance Limited	-	0.48
	EFSL Trading Limited	-	0.24
Short term loans taken from (Refer note 1)	Edelweiss Financial Services Limited	829.39	-
	Edelweiss Agri Value Chain Limited	186.00	1,915.53
	Edelweiss Insurance Brokers Limited	127.00	111.06
	ECap Equities Limited	-	5,918.40
	Others - Fellow subsidiary Company	4.50	415.28
Non convertible debentures outstanding	ECL Finance Limited	928.35	-
Accrued salaries and benefits	Rujan Panjwani	-	32.50
<b>Off balance sheet item</b>			
Corporate guarantee given for	Edelweiss Housing Finance Limited	3,200.00	3,850.00
Corporate guarantee given by	Edelweiss Financial Services Limited	20,719.76	20,937.50

\* amount is less than Rs. 0.01 million

Note:

- (1) Previous year's figures have been recast/restated where necessary.
- (2) The Intra group Company loans are generally in the nature of revolving demand loans. Loan given/taken to/from parties and margin money placed/refund received with/from related parties are disclosed based on the maximum incremental amount given/taken and placed/refund received during the reporting period.
- (3) Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.
- (4) Loan given to subsidiaries and fellow subsidiaries are for the general corporate business.
- (5) Remuneration to KMP's shall be within the limit as prescribed by the Companies act.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.31 Investments in partnership firms:

Name of Partnership Firm	Edelweiss Multi Strategy Fund Advisors LLP (Formerly known as Forefront Alternative Investment Advisors LLP)	
	As at 31 March 2018	As at 31 March 2017
Total capital of partnership firm	<b>Rs. 0.10 million</b>	Rs.0.10 Million
Name of partners	Share in capital and share in profit/loss	
Edelweiss Multi Strategy Funds Management Private Limited	<b>99.95%</b>	99.99%
Mr. Vishal Madia	<b>0.01%</b>	0.01%
Edelweiss Capital Markets Limited	<b>0.01%</b>	-
Edel Investments Limited	<b>0.01%</b>	-
Edelweiss Investment Adviser Limited	<b>0.01%</b>	-
Edelweiss Commodities Services Limited	<b>0.01%</b>	-

Name of Partnership Firm	Edelweiss Wealth Advisors LLP (Formerly known as Forefront Wealth Advisors LLP)	
	As at 31 March 2018	As at 31 March 2017
Total Capital of Partnership firm	<b>Rs. 1.67 Million</b>	Rs. 29.74 million
Name of partners	Share in capital and share in profit/loss	
Edelweiss Commodities Services Limited	34%	34%
Edelweiss Capital Markets Limited	33%	33%
ECap Equities Limited	33%	33%

### 2.32 Contingent liabilities (to the extent not provided for):

(a)	Taxation matters in respect of which appeal is pending Rs. 177.95 million (Previous year: Rs. 181.24 million). The Company has paid Rs. 19.42 million (Previous year: Rs. 19.83 million) under protest against these cases.
(b)	Corporate guarantee given by the company to bank for Rs. 3,200 million (Previous year: Rs. 3,850.00 million) for availing Fund based Banking facilities by its subsidiary company Edelweiss Housing Finance Limited and Edelweiss Agri Value Chain Limited.

The Company's pending litigations comprise of proceedings pending with Income Tax, customs, sales tax/VAT and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.





# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.33 Encumbrances' on fixed deposits held by the Company:

i)	Fixed deposits aggregating to Rs. <b>5.00</b> million (Previous year: Rs. 280 million) have been pledged with exchanges.
ii)	Fixed deposits aggregating to Rs <b>125.00</b> million (Previous year: Rs. 1,394.81 million) have been pledged with banks for securing bank overdrafts.
iii)	Fixed deposits aggregating to Rs. <b>10.38</b> million (Previous year: Rs. 0.24 million) have been pledged with sales tax authorities for meeting deposit requirements.
iv)	Fixed deposits aggregating to <b>Rs.Nil</b> (Previous year: Rs. 5.00 million) have been pledged with bank for obtaining the bank guarantee provided to The Multi Commodity Exchange of India Limited for meeting margin requirements.
v)	Fixed deposits aggregating to <b>1.90</b> million (Previous year: Rs. 8.84 million) have been pledged with banks for obtaining the bank guarantee provided to VAT authorities for meeting statutory requirements.
vi)	Fixed deposits aggregating to Rs. <b>15.99</b> million (Previous year: Rs. 9.87 million) have been pledged with bank for obtaining the bank guarantee provided to Customs authorities for meeting statutory requirements.
vii)	Fixed deposits aggregating to <b>Rs. Nil</b> million (Previous year: Rs. 6.13 million) have been pledged with bank for obtaining the bank guarantee provided to Reliance Infra Limited.
viii)	Fixed deposits aggregating to <b>Rs.2.42</b> million (Previous year: Rs. 0.90 million) have been pledged with bank for obtaining the bank guarantee provided to various mandis for margin and license requirements.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.34 Derivative transactions:

Currency Futures Financial Year 17-18					
Currency pair	Maturity grouping	Long Position		Short Position	
		Number of contracts	Number of units	Number of contracts	Number of units
USD INR	-	-	-	-	-

Currency Futures Financial Year 16-17					
Currency pair	Maturity grouping	Long Position		Short Position	
		Number of contracts	Number of units	Number of contracts	Number of units
USD INR	< 1 month	-	-	500	500,000

### 2.35 Earnings per share:

In accordance with Accounting Standard 20 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a)	Profit after tax (as per Statement of Profit and Loss)	516.06	571.49
	Less: dividend on preference share including dividend distribution tax	46.20	46.20
	Net profit for the year attributable to equity shareholders	469.86	525.29
(b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	29,775,368	29,775,368
	Number of Shares issued during the year	-	-
	Total number of equity shares outstanding at the end of the year	29,775,368	29,775,368
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	29,775,368	29,775,368
(c)	Basic and diluted earnings per share (rupees) (a)/(b)	15.78	17.64



## Edelweiss Commodities Services Limited

### Notes to the financial statements (continued)

(Currency: Rupees in millions)

#### 2.36 Details of stock-in-trade:

##### Securities:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Opening stock</b>		
Equity	-	-
Debentures and bonds	16,301.46	3,633.12
Certificate of deposits / commercial papers	4,008.76	347.34
Mutual fund	-	-
Other (Pref)	-	0.11
<b>Subtotal (a)</b>	<b>20,310.22</b>	<b>3,980.57</b>
<b>Purchase</b>		
Equity	1,283.92	-
Debentures and bonds	274,986.25	297,648.30
Certificate of deposits / commercial papers	159,465.44	293,645.11
Mutual fund	223,420.00	-
Other (Pref)	3,481.56	46.75
<b>Subtotal (b)</b>	<b>662,637.17</b>	<b>591,340.16</b>
<b>Sales</b>		
Equity	1,272.58	-
Debentures and bonds	271,916.33	284,693.61
Certificate of deposits / commercial papers	163,450.75	290,158.51
Mutual fund	222,637.12	-
Other (Pref)	3,497.65	46.98
<b>Subtotal (c)</b>	<b>662,774.43</b>	<b>574,899.10</b>
<b>Closing stock</b>		
Equity	1.43	-
Debentures and bonds	19,237.23	16,301.46
Certificate of deposits / commercial papers	-	4,008.76
Mutual fund	730.00	-
Other (Pref)	2.90	-
<b>Subtotal (d)</b>	<b>19,971.56</b>	<b>20,310.22</b>
<b>Loss on sale of securities (c+d-a-b)</b>	<b>(201.40)</b>	<b>(111.41)</b>



## Edelweiss Commodities Services Limited

### Notes to the financial statements (continued)

(Currency: Rupees in millions)

#### 2.36 Details of stock-in-trade (continued)

*Commodities:*

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Opening Stock</b>		
Agricultural products	97.78	8,539.96
Bullion	2,583.28	5,318.39
Other metals	0.21	0.20
<b>Subtotal (a)</b>	<b>2,681.27</b>	<b>13,858.55</b>
<b>Purchase</b>		
Agricultural products	(0.48)	5,295.78
Bullion	18,311.88	15,649.35
Other metals	-	-
<b>Subtotal (b)</b>	<b>18,311.40</b>	<b>20,945.13</b>
<b>Sales</b>		
Agricultural products	25.96	14,677.09
Bullion	19,434.61	19,124.58
Other metals	-	-
<b>Subtotal (c)</b>	<b>19,460.57</b>	<b>33,801.67</b>
<b>Closing Stock</b>		
Agricultural products	46.20	97.78
Bullion	1,381.66	2,583.28
Other metals	-	0.21
<b>Subtotal (d)</b>	<b>1,427.86</b>	<b>2,681.27</b>
<b>(Loss)/ Profit on sale of commodities (c+d-a-b)</b>	<b>(104.24)</b>	<b>1,679.26</b>

Note: Quantitative details of commodities are not given due to the varied nature of products and measurement units.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.37 Earnings and expenditure in foreign currency:

Earning in foreign exchange:

Sr. No	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a)	F.O.B. value of export	-	-

Value of import on C.I.F. basis:

Sr. No	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a)	Value of import on C.I.F. Basis		
	- Commodities	-	2,709.68

Expenditure in foreign currency:

Sr. No	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a)	Foreign travels	0.01	0.17
(b)	Interest on buyer's credit	-	2.49
(c)	Business promotion expenses	-	0.19
(d)	Legal & Professional expenses	6.27	0.09

### 2.38 Capital commitments (to the extent not provided for):

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is **Rs. 5.37** million (Previous year: Rs.2.15 million).



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.39 Operating leases:

The Company had taken office premises on operating lease agreements. Gross rental expenses for the year ended 31 March 2018 aggregated to Rs. 34.54 million (Previous year: Rs. 35.35 million) (Refer note 2.28) which has been included under the head other expenses as 'Rent' in the Statement of Profit and Loss. There are no future minimum lease payments for the non-cancellable operating lease.

The Company has given certain portion of the building on cancellable and non-cancellable operating lease for periods ranging from 12 months to 60 months, the details of which are given below:

Lease payments received and recognized in the Statement of Profit and Loss during the year ended 31 March 2018 is Rs. 458.21 million (Previous year: Rs. 393.96 million).

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

Particulars	As at	As at
	31 March 2018	31 March 2017
Not later than one year	6.60	9.76
Later than one year and not later than five years	-	-
Later than five years	-	-

### 2.40 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits:

#### A) Defined contribution plan (Provident fund and national pension scheme):

An amount of Rs. 5.05 million (Previous year: Rs. 8.02 million) is recognized as expense and included in "Employee benefit expenses" – Note 2.26 in the statement of profit and loss.

#### B) Defined benefit plan (Gratuity):

The following tables summarize the components of the net benefit expenses recognised in the Statement of Profit and Loss, the funded status and amount recognised in the balance sheet for the gratuity benefit plan.



Edelweiss Commodities Services Limited

Notes to the financial statements (continued)

(Currency: Rupees in millions)

**2.40 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (continued)**  
**Expenses recognised in the statement of profit and loss:**

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current service cost	0.96	2.11
Interest cost	0.27	0.73
Expected return on plan assets	(0.94)	(0.93)
Net actuarial losses recognized in the year	(0.25)	(1.69)
<b>Total included in 'Employee Benefit Expenses'</b>	<b>0.04</b>	<b>0.22</b>

**Net (liability) / asset recognised in the balance sheet:**

Particulars	As at 31 March 2018	As at 31 March 2017
Present value of defined benefit obligation (DBO)	4.55	11.74
Fair value of plan assets	(14.79)	(14.24)
<b>Net liability /( assets) recognised in the balance sheet</b>	<b>(10.24)</b>	<b>(2.50)</b>
<b>Less : Unrecognised Past Service Cost</b>	<b>-</b>	<b>-</b>
<b>Liability /(Asset) recognised in the Balance Sheet</b>	<b>(10.24)</b>	<b>(2.50)</b>
<b>Of which ,short term Provision</b>	<b>-</b>	<b>-</b>

**Reconciliation of Defined benefit obligation:**

Particulars	As at 31 March 2018	As at 31 March 2017
Present value of DBO at start of the year	11.74	12.96
Transfer In/(Out)	(7.75)	(3.00)
Interest cost	0.27	0.73
Current service cost	0.96	2.11
Benefits Paid	(0.67)	(0.19)
Past Service Cost	0.64	-
Actuarial (gain)/loss on obligations:	(0.64)	(0.87)
<b>Present value of DBO at the end of the year</b>	<b>4.55</b>	<b>11.74</b>



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

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

#### Reconciliation of fair value of the plan assets:

Particulars	As at 31 March 2018	As at 31 March 2017
Fair value of the plan asset at the start of the year	14.26	12.70
Expected return on plan assets	0.94	0.93
Contributions by employer	-	-
Benefits Paid	(0.67)	(0.19)
Actuarial (loss)/gain on Plan Assets	0.26	0.82
<b>Fair value of the plan asset at the end of the year</b>	<b>14.79</b>	<b>14.26</b>
Actual return on plan assets	1.20	1.756
Expected employer contribution for the coming period	-	-

#### Percentage Break –down of Total Plan Assets

	2018	2017
Insurer Managed Funds (Unit –linked)	100%	99%
Cash at Bank	0%	1%
Total	100%	100%

#### Experience Adjustment:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014
Defined benefit obligation	4.55	11.74	12.96	6.43	6.38
Fair value of plan assets	14.79	14.26	12.70	7.70	6.43
Surplus / (deficit)	10.24	2.52	(0.26)	1.27	0.05
Experience adjustment on plan liabilities: (gain)/loss	(0.52)	(1.22)	2.57	(1.23)	(0.77)
Experience adjustment on plan assets: (gain)/loss	0.17	0.77	(0.15)	1.04	0.33





# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

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

#### Principal actuarial assumptions at the balance sheet date:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	7.3%	6.8%
Salary escalation	7%	7%
Employee attrition rate	13% to 25%	13% to 25%
Expected return of plan assets	6.8%	7.4%
Mortality rate	IALM 2006-08(Ult)	IALM 2006-08(Ult)



Edelweiss Commodities Services Limited

Notes to the financial statements (continued)

(Currency: Rupees in millions)

**2.41 Details of long term borrowings and current maturity of long term borrowings (continued)**

a. For Non-convertible debentures outstanding as at 31<sup>st</sup> March 2017.

Sr.no	Interest Range %	Financial Year	Maturity date	Net Value in Million
1	10%-11%	2017-18	10/04/2017	50.00
2	9%-10%	2017-18	19/04/2017	3,250.00
3	10%-11%	2017-18	08/06/2017	100.00
4	10%-11%	2017-18	04/07/2017	80.00
5	10%-11%	2017-18	14/07/2017	250.00
6	10%-11%	2017-18	08/08/2017	220.00
7	10%-11%	2017-18	05/12/2017	50.00
8	10%-11%	2017-18	06/02/2018	60.00
9	10%-11%	2017-18	15/03/2018	55.00
10	10%-11%	2018-19	03/04/2018	2,500.00
11	10%-11%	2018-19	10/04/2018	45.00
12	10%-11%	2018-19	20/06/2018	135.00
13	10%-11%	2018-19	28/06/2018	500.00
14	10%-11%	2018-19	13/07/2018	20.00
15	9%-10%	2018-19	07/09/2018	175.00
16	10%-11%	2018-19	04/10/2018	35.00
17	9%-10%	2019-20	28/05/2019	50.00
18	9%-10%	2019-20	28/06/2019	750.00
19	9%-10%	2019-20	31/01/2020	9,919.12
20	9%-10%	2019-20	14/02/2020	1,002.96
21	8%-9%	2020-21	15/04/2020	6,489.95
22	9%-10%	2020-21	17/04/2020	2,000



Edelweiss Commodities Services Limited

Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.41 Details of long term borrowings and current maturity of long term borrowings (continued)

Sr.no	Interest Range %	Financial Year	Maturity date	Net Value in Million
23	8%-10%	2020-21	29/06/2020	747.15
24	8%-10%	2020-21	01/07/2020	57.00
25	8%-10%	2020-21	11/08/2020	250.00
26	8%-10%	2020-21	26/10/2020	4,976.56
27	8%-10%	2020-21	12/02/2021	2,507.19
28	8%-10%	2020-21	26/02/2021	3,502.89
29	8%-10%	2020-21	26/03/2021	1,500.00
30	8%-10%	2021-22	15/04/2021	1,014.71
31	8%-10%	2021-22	22/04/2021	300.00
32	8%-10%	2021-22	30/04/2021	596.08
33	8%-10%	2022-23	23/09/2022	1,488.08
34	8%-10%	2027-28	30/06/2027	1,978.75
35	8%-10%	2027-28	22/12/2027	200.00
	<b>Total</b>			<b>46,049.67</b>



Edelweiss Commodities Services Limited

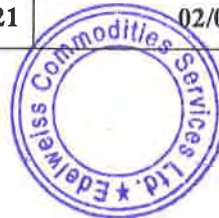
Notes to the financial statements (continued)

(Currency: Rupees in millions)

2.41 Details of long term borrowings and current maturity of long term borrowings:

a. For Non-convertible debentures outstanding as at 31<sup>st</sup> March 2018.

Sr.no	Interest Range %	Financial Year	Maturity date	Value in Million
1	10%-11%	2018-19	10/04/2018	45.00
2	10%-11%	2018-19	20/06/2018	135.00
3	10%-11%	2018-19	28/06/2018	500.00
4	10%-11%	2018-19	13/07/2018	20.00
5	8%-10%	2018-19	07/09/2018	175.00
6	10%-11%	2018-19	04/10/2018	35.00
7	8%-10%	2019-20	04/04/2019	1,906.48
8	8%-10%	2019-20	30/04/2019	1,495.65
9	8%-10%	2019-20	02/05/2019	418.96
10	8%-10%	2019-20	28/05/2019	50.00
11	8%-10%	2019-20	28/06/2019	750.00
12	8%-10%	2019-20	09/08/2019	750.00
13	8%-10%	2019-20	31/01/2020	9,985.18
14	8%-10%	2019-20	14/02/2020	1,026.21
15	8%-10%	2020-21	15/04/2020	6,521.69
16	8%-10%	2020-21	17/04/2020	2,068.72
17	8%-10%	2020-21	21/04/2020	42.00
18	8%-10%	2020-21	28/04/2020	92.00
19	8%-10%	2020-21	04/05/2020	37.00
20	8%-10%	2020-21	06/05/2020	145.00
21	8%-10%	2020-21	12/05/2020	65.00
22	8%-10%	2020-21	02/06/2020	667.37



## Edelweiss Commodities Services Limited

### Notes to the financial statements (continued)

(Currency: Rupees in millions)

#### 2.41 Details of long term borrowings and current maturity of long term borrowings (continued)

Sr.no	Interest Range %	Financial Year	Maturity date	Value in Million
23	9%-10%	2020-21	21/04/2020	42.00
24	8%-9%	2020-21	04/05/2020	37.00
25	9%-10%	2020-21	06/05/2020	145.00
26	8%-9%	2020-21	01/07/2020	57.00
	Total			28,018.03

b. For Term Loan from Bank outstanding as at 31<sup>st</sup> March 2017.

Sr.no	Interest Range %	Financial Year	Maturity date	Value in Million
1	9%-11%	2017-18	25/09/2017	406.25
2	9%-11%	2018-19	25/09/2018	406.25
3	9%-11%	2019-20	25/09/2019	1,625.00
	Total			2,437.50

#### 2.42 Cost sharing and other recoveries:

##### *Cost sharing:*

Edelweiss Financial Services Limited, being the holding company along with fellow subsidiaries incurs expenditure like common senior management compensation cost (Financial Year 15-16), Group Mediciam, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. On the same lines, costs like rent, electricity charges incurred by the Company for the benefit of fellow subsidiaries and associate companies are recovered as reimbursement by the Company from the subsidiaries and associate companies on similar basis. Accordingly, and as identified by the management, the expenditure heads in note 2.26 and 2.28 include reimbursements paid and are net of the reimbursements received based on the management's best estimate.

##### *Other recoveries:*

The income in note 2.24 relates to amount recovered from the holding company, subsidiaries, fellow subsidiaries and other external parties for occupying office premises in the Company's building.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.43 Disclosure of loans and advances pursuant to regulation 53(f) of the Securities and Exchange Board of India (SEBI) (Listing obligations and disclosure requirements) Regulations, 2015:

Particulars	31 March 2018		31 March 2017	
	Amount outstanding	Maximum Amount o/s during the year	Amount outstanding	Maximum Amount o/s during the year
<b><i>Short term loans-Subsidiary</i></b>				
Edelweiss Capital Markets Limited	250.60	11,245.82	324.90	7,901.87
Edelweiss Housing Finance Limited	195.61	3,881.87	155.31	6,863.77
Edel Commodities Limited	5,093.43	9,936.45	6,201.04	14,411.77
Edel Commodities Trading Limited	-	-	-	5,788.22
EFSL Trading Limited	197.29	3,707.15	1,022.62	10,935.30
EFSL Comtrade Limited	1,927.03	9,177.60	2,793.58	3,082.55
Edelweiss Metals Limited	-	-	-	5,469.59
Serenity Business Park Limited**	-	-	-	2,889.81
Eternity Business Centre Limited**	-	-	-	3,066.06
Edelweiss Agri Value Chain Limited	-	10,000	-	2,908.49
<b><i>Short term loan-Holding Company</i></b>				
Edelweiss Financial Services Limited	-	10,118.93	7,150.33	10,397.01
<b><i>Long term loans</i></b>				
Edelweiss Metals Limited*	-	-	-	552.93

\* Subsidiary till June 29,2016.

\*\* merged with Ecap Equities Limited w.e.f 1<sup>st</sup> April 2017

2.44 The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favourable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.45 Corporate social responsibility (CSR):

As per the provisions of Section 135 of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year was Rs.19.59 million (Financial Year 16-17 Rs.19.53 million)
- b) Amount spent during the year on:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total (Rs million)
(i)	Constructions / acquisition of any assets	-	-	-
(ii)	On purpose other than (i) above	5.10 (0.50)	- -	5.10 (0.50)

Notes:

1. The Company is a wholly owned subsidiary of Edelweiss Financial Services Limited. Edelweiss group is conscious of its Corporate Social Responsibility and, had accordingly established a CSR arm, "Edelgive Foundation" in the year 2008. As an amount of Rs.177.84 million (Previous year: Rs.115.68 million) (representing more than 2% of the consolidated profit of the group) was spent towards CSR activities during the year ended March 31, 2018, the Company has not incurred the prescribed CSR expenditure on a standalone basis during the year ended March 31, 2018..

2. Figures in the bracket are in respect of previous year.



# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

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

Particulars	Specified bank notes *	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.13	#0.00	0.13
(+) Permitted receipts	-	0.14	0.14
(-) Permitted payments	-	0.08	0.08
(-) Amount deposited in Banks	0.13	-	0.13
Closing cash in hand as on 30.12.2016	-	0.05	0.05
#amount is less than Rs. 0.01 million			

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

2.47 The Company has a process whereby periodically all long-term contracts (including derivative 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 (including derivative contracts) has been made in the books of accounts.

### 2.48 Details of dues to micro enterprise and small enterprise:

Trade Payables includes 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.





# Edelweiss Commodities Services Limited

## Notes to the financial statements (continued)

(Currency: Rupees in millions)

### 2.49 Previous year comparatives

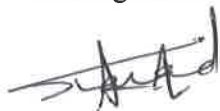
Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation / classification.

As per our report of even date attached.

**For Price Waterhouse Chartered Accountants  
LLP**

*Chartered Accountants*

Firm Registration No. 012754N/N500016



**Sharad Agarwal**

*Partner*

Membership No.: 118522

**For and on behalf of the Board of Directors  
Edelweiss Commodities Services Limited**



**Rujan Panjwani**

*Executive Director*

DIN No.: 00237366



**Kalpana Maniar**

*Director*

DIN No.: 00719180



**Manoj Sharma**

*Chief Financial Officer*



**Sangeeta Shetty**

*Company Secretary*

Mumbai

02 May 2018

Mumbai

02 May 2018

**SIGN**