

EW Clover

(A scheme of Edelweiss Alternative Investment Trust)

Financial statements
together with the
Independent Auditor's Report
for the year ended 31 March 2017

EW Clover Scheme

(A scheme of Edelweiss Alternative Investment Trust)

Financial statements together with the Independent auditor's report
for the year ended 31 March 2017

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B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Board of Trustees of EW Clover Scheme

(A scheme of Edelweiss Alternative Investment Trust)

Report on the financial statements

We have audited the accompanying financial statements of EW Clover Scheme ('the Scheme') of Edelweiss Alternative Investment Trust ('the Fund') which comprise the Balance Sheet as at 31 March 2017, the related Revenue account for the year ended 31 March 2017 and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Trustee Company – Edelweiss Trustee Services Limited and the Investment Manager – Edelweiss Alternative Asset Advisors Limited (collectively referred as 'management') are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India (the 'ICAI'), to the extent applicable. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Scheme's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the scheme internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Independent Auditor's Report (Continued)

EW Clover Scheme

(A scheme of Edelweiss Alternative Investment Trust)

Opinion

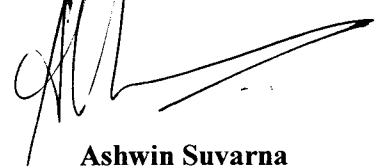
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2017; and
- ii. In case of the Revenue Account, of the surplus for the period ended on that date.

For **B S R & Associates LLP**

Chartered Accountants

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



Ashwin Suvarna

Partner

Membership No: 109503

Mumbai
15 May 2017

Quality Checks	Completed
Spelling/diction comparison	✓
Indices pagination paras	✓
Calculations/arithmetical accuracy/rounding off errors	✓
Done by:	
Name and Designation	RUCHI ACRAWAL
Signature and Date	<i>Ruchi</i> 15-MAY-2017
Engagement Partner Name:	ASHWIN SUVARNA

EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Balance sheet

as at 31 March 2017

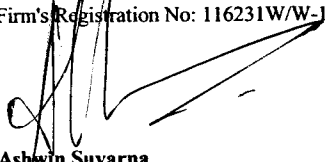
(Currency : Indian Rupees)

	Note	As at 31 March 2017	As at 31 March 2016
UNIT HOLDERS CAPITAL AND LIABILITIES			
Unitholders' funds	2	711,272,258	571,344,322
Current liabilities			
Trade payables			
Total outstanding due of micro enterprises and small enterprises	12.6	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	3	1,017,212	1,061,591
Other current liabilities	4	1,482,469	61,224
TOTAL		713,771,939	572,467,137
ASSETS			
Investments	5	188,082,675	526,813,633
Current assets, loans and advances			
Cash and bank balances	6	509,428,046	36,465,805
Loans and advances	7	1,761,681	340,254
Other current assets	8	14,499,537	8,847,445
TOTAL		713,771,939	572,467,137
Significant accounting policies & notes to financial statements	1-12		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

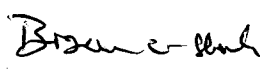
For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024


Ashwin Suvarna
Partner
Membership No: 109503
Mumbai
Date: 15 May 2017

For and on behalf of the Investment Manager
Edelweiss Alternative Asset Advisors Limited


Gaurang Tailor
Director
DIN: 00010292
Mumbai
Date: 15 May 2017

For and on behalf of the Trustee
Edelweiss Trustee Services Limited


Biren Shah
Director
DIN: 01258542
Mumbai
Date: 15 May 2017

EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Revenue account

for the year ended 31 March 2017

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2017	For the period from 6 August 2015 to 31 March 2016
Income			
Income from Investments	9	113,176,436	70,794,538
Unrealised gain on investments (net)		42,087,237	650,772
Dividend income		254,816	400,778
Interest income		15,312,692	3,473,900
		<u>170,831,181</u>	<u>75,319,988</u>
Expenditure			
Finance costs	10	26,155,880	1,219,693
Administrative and operating expenses	11	4,747,365	2,755,973
		<u>30,903,245</u>	<u>3,975,666</u>
Surplus before tax		139,927,936	71,344,322
Provision for income tax		-	-
Surplus for the period		<u>139,927,936</u>	<u>71,344,322</u>

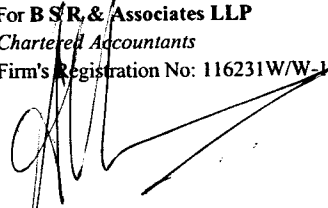
Significant accounting policies & notes to financial statements

1-12

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024


Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 15 May 2017

For and on behalf of the Investment Manager
Edelweiss Alternative Asset Advisors Limited


Gaurang Tailor
Director
DIN: 00010292

Mumbai
Date: 15 May 2017

For and on behalf of the Trustee
Edelweiss Trustee Services Limited


Biren Shah
Director
DIN: 01258542

Mumbai
Date: 15 May 2017

EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Cash flow statement

(Currency: Indian Rupees)

	For the year ended 31 March 2017	For the period from 6 August 2015 to 31 March 2016
A Cash flow from operating activities		
Surplus before tax	139,927,936	71,344,322
<i>Adjustments for</i>		
Unrealised gains in current investments	(42,087,237)	(650,772)
Interest income	(15,312,692)	(3,473,900)
Interest expense	26,150,577	1,216,438
Operating cash flow before working capital changes	108,678,583	68,436,088
<i>Adjustments for</i>		
Decrease / (increase) in loans and advances	77,842	(340,254)
Increase in other assets	(5,332,095)	(7,782,656)
Increase in current liabilities and provisions	1,376,866	1,122,815
Cash generated from operations	104,801,197	61,435,993
Income tax paid	(1,499,270)	-
Net cash from operating activities - A	103,301,927	61,435,993
B Cash flow from investing activities		
Proceeds from issue of Unit Capital	-	500,000,000
Sale / (purchase) of current investments	380,818,195	(526,162,861)
Interest received	14,992,696	2,409,111
Net cash used in investing activities - B	395,810,891	(23,753,750)
C Cash flow from financing activities		
Proceeds from unsecured loans	5,863,500,000	400,000,000
Repayment of unsecured loans	(5,863,500,000)	(400,000,000)
Proceeds from intercorporate deposits	5,920,000,000	-
Repayment of intercorporate deposits	(5,920,000,000)	-
Interest paid	(26,150,577)	(1,216,438)
Net cash used in financing activities - C	(26,150,577)	(1,216,438)
Net increase in cash and cash equivalents (A+B+C)	472,962,241	36,465,805
Cash and cash equivalents at the beginning of the year	36,465,805	-
Cash and cash equivalents at the end of the year (Refer note 6)	509,428,046	36,465,805

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 15 May 2017

For and on behalf of the Investment Manager
Edelweiss Alternative Asset Advisors Limited

Gaurang Tailor
Director
DIN: 00010292

Mumbai
Date: 15 May 2017

For and on behalf of the Trustee
Edelweiss Trustee Services Limited

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Director
DIN: 01258542

Mumbai
Date: 15 May 2017

EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to the financial statements

for the year ended 31 March 2017

Background

EW Clover Scheme ("the Scheme") is set up as a scheme of Edelweiss Alternative Investment Trust ("the Fund"), a Trust formed in India under the Indian Trusts Act, 1882 and registered as Category III alternative investment fund under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 ("the AIF regulations"). The Fund has flexibility to float different schemes with specific investment focus as may be disclosed at the time of floating of such schemes. The Fund has been settled by Edelweiss Alternative Asset Advisors Limited as a discretionary trust by way of a trust deed dated August 5, 2015 to carry on activity as an alternative investment fund under the AIF regulations. The Scheme is a close ended scheme with contributions from investors being in the nature of irrevocable transfers.

Edelweiss Alternative Asset Advisors Limited is the Investment Manager and Edelweiss Trustee Services Limited is the Trustees to the Fund. The Investment Manager makes the investment and divestment decisions on behalf of the Scheme.

The investment objective of the Scheme is to carry activities permissible under the AIF regulations for a scheme of Category III AIF and aims to invest primarily in equities and equity derivatives, and other complex or structured products to employ diverse or complex trading strategies and to employ leverage through its investments such as equity shares, preference shares, fixed income securities and debentures, including debt and money market securities, bonds, depository receipts, options, government securities, Indian mutual funds and in all kinds of financial instruments in companies engaged in all sectors industry, trade, business, service and commerce and to deal in all aspects connected therewith to earn revenue directly or indirectly.

The Scheme has issued, through private placement, Class A units and Class B units for subscription aggregating to minimum Rs. 50 Crores.

1. Significant accounting policies

(i) Basis of preparation of the financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('the ICAI'), to the extent applicable, and conform to the generally accepted accounting principles prevailing in India.

(ii) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to the financial statements (continued)

for the year ended 31 March 2017

1. Significant accounting policies (continued)

(iii) Unit capital

Unit capital is accounted on allotment of units to the extent of contribution received from the investors, as per the contribution agreement signed with them.

(iv) Investments

Investments consist of portfolio investments and other investments. Portfolio investments represent investments in equity shares, equity derivatives, fixed income securities and debentures including debt and money market securities and other investments represent investment in mutual fund units.

Portfolio investments

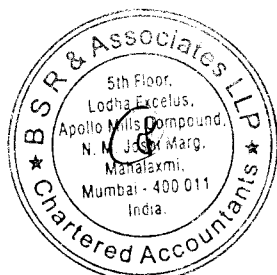
Transaction for purchase and sale of portfolio investments are recognised as of trade date. Bonus / split / rights entitlements are recognized as investment on the ex-bonus / ex-split / ex-rights date respectively. Investments are marked to market on a daily basis and the resultant unrealised gain or loss is recognised in the Revenue account.

Investment in equity shares

Investments in quoted securities are valued at the last quoted price on the National Stock Exchange of India Limited (NSE), the principal stock exchange. However, if the securities are not listed on NSE, the securities are valued at the price quoted at the exchange where the security is principally traded. When on a particular valuation day, a security has not been traded on NSE, the value at which it is traded on the Bombay Stock Exchange Limited (BSE) is used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on NSE or any other stock exchange as the case may be, on the earliest previous day may be used, provided that such day is not more than thirty days prior to the valuation date. In case of investment in shares is through initial public offering ("IPO") and such shares are pending allotment on valuation date, the same is valued at the IPO cut-off price declared by the investee company.

Investment in derivative instruments

Investment in futures and options are marked to market on a daily basis and the resultant unrealised gain or loss is recognised in the Revenue account. Premium/Margins received/paid on various derivative instruments is recognised as current liabilities and current assets respectively. Transaction cost on derivative instruments is recognised in the Revenue account. 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 absence of quoted market prices in an actively traded market, a valuation technique is used to determine the fair value. In most cases valuation techniques use observable market data as input parameters in order to ensure reliability of the fair market value.



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to the financial statements (continued) for the year ended 31 March 2017

1. Significant accounting policies (continued)

(iv) Investments (continued)

Other investments

In case of investments in units of mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

(v) Investment management fees

Management fee is levied as a percentage of NAV, as agreed with the contributors of various classes of units. NAV is calculated on the last business day of each calendar month.

Management fee is charged as a percentage of contribution made by the investors in accordance with the Investment Management Agreement dated August 5, 2015 between the Trustee Company and the Investment Manager and as per the Contribution Agreements signed with the investors. Management fee structure for different classes of unit capital is as follows:

Class of units	Management fees
Class A	Nil
Class B	0.25% p.a.
Class C	0.75% p.a.
Class D	1.50% p.a.

(vi) Incentive fees

The Investment Manager, in addition to Management Fee, also receives a performance profit allocation in respect of Class D Units. The Incentive Fee is calculated at the end of every Performance Period on a unit-by-unit basis so that each Class D Unit is charged an Incentive Fee, which equates fairly with that Unit's performance. At the end of each Performance Period, the Incentive Fee shall be an amount equal to 20% of the appreciation in NAV per Class D Unit (before accrual or deduction of the Incentive Fee) over the Reference Price per Class D Unit and after accounting for the Hurdle Rate.

(vii) Trusteeship fees

The Trustee is entitled to receive a trusteeship fee of Rs. 500,000 per annum (excluding service tax) or such other amount as mutually agreed between the Trustee and the Settler.



EW Clover Scheme
(A Scheme of Edelweiss Alternative Investment Trust)

Notes to the financial statements (continued)
for the year ended 31 March 2017

1. Significant accounting policies (continued)

(viii) Revenue recognition

Dividend income is recognised when the right to receive the same is established.

Profit/ loss on sale of investments is recognised in the Revenue account on the trade date. Profit/loss on sale of investments is determined on FIFO basis.

Profit/ loss on closed positions of derivative instruments are recognised on final settlement on squaring-up of the contracts.

Investments are marked to market on a daily basis and the resultant unrealised gain or loss is recognised in the Revenue account.

Interest income is recognised on a time proportionate basis.

(ix) Provision and contingencies

The Scheme creates a provision when there is a 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.

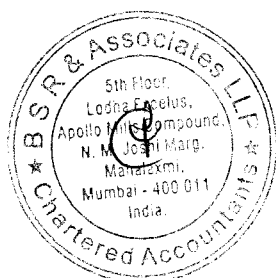
Provisions are reviewed at the end of each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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.

(x) Income tax

The Scheme is set up as a determinate trust (with contributions from investors being in the nature of irrevocable transfers) and accordingly the entire income of the Scheme is subject to tax in accordance with the principles of taxation as enunciated under the provisions of the Income Tax Act, 1961 ('the Act'), on accrual basis in the hands of the beneficiaries in the like manner and to the same extent as if the beneficiaries have directly earned such income from the investments made by them in the Scheme.

Accordingly, no provision for income tax has been made by the Scheme, since the same would be done by the beneficiaries on their proportion of income subject to income tax under the provisions of the Act.



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued)

as at 31 March 2017

(Currency : Indian Rupees)

	As at 31 March 2017		As at 31 March 2016	
	Units	Amount	Units	Amount
2 Unitholders' funds				
Unit capital				
Class A	25,000	250,000,000	25,000	250,000,000
Class B	25,000	250,000,000	25,000	250,000,000
	50,000	500,000,000	50,000	500,000,000
Class A - Units of Rs. 10,000 each, fully paid up				
As at the beginning of the period	25,000	250,000,000	-	-
Issued during the period	-	-	25,000	250,000,000
As at the end of the period	(a) 25,000	250,000,000	25,000	250,000,000
Class B - Units of Rs. 10,000 each, fully paid up				
As at the beginning of the period	25,000	250,000,000	-	-
Issued during the period	-	-	25,000	250,000,000
As at the end of the period	(b) 25,000	250,000,000	25,000	250,000,000
Total Unit Capital (a) + (b)	50,000	500,000,000	50,000	500,000,000
Reserves and surplus				
Revenue account				
Opening balance		71,344,322		-
Surplus during the period		139,927,936		71,344,322
As at the end of the period	(c)	211,272,258		71,344,322
Total Unitholders' funds (a) + (b) + (c)		711,272,258		571,344,322



EW Clover Scheme

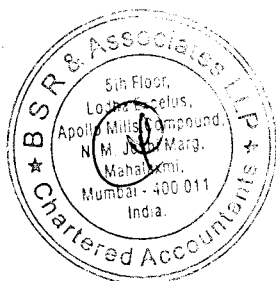
(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued)

as at 31 March 2017

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
3 Trade Payables		
Trade payables to non-related parties	426,252	445,000
Trade payables to related parties (refer note 12.2)	590,960	616,591
	<u>1,017,212</u>	<u>1,061,591</u>
4 Other current liabilities		
TDS and other taxes payable	1,482,469	61,224
	<u>1,482,469</u>	<u>61,224</u>



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued)

as at 31 March 2017

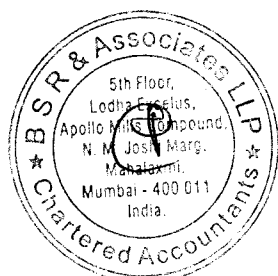
(Currency : Indian Rupees)

As at 31 March 2017

As at 31 March 2016

5 Investments

Particulars	Face Value (fully paid)	Quantity	Amount	Face Value (fully paid)	Quantity	Amount
Investment in equity shares (Quoted)						
Cholamandalam Investment and Finance Company Limited	-	-	-	10	8,264	5,960,410
Natco Pharma Ltd	-	-	-	2	9,500	3,920,650
Bharti Infratel Limited	-	-	-	10	12,536	4,788,125
Repc Home Finance Limited	-	-	-	10	4,600	2,664,090
DCB Bank Limited	-	-	-	10	47,000	3,724,750
Cadila Healthcare Ltd.	-	-	-	1	7,090	2,246,821
Torrent Power Ltd.	-	-	-	10	10,000	2,319,000
Pokarna Ltd	-	-	-	10	417	314,835
Marico Ltd.	-	-	-	1	4,720	1,153,096
Rajesh Exports Ltd.	-	-	-	1	1,600	993,760
Ratnamani Metals Tubes Ltd.	-	-	-	2	5,163	2,394,341
Bajaj Finserv Ltd.	-	-	-	5	1,154	1,974,609
Gruh Finance Ltd.	-	-	-	2	5,850	1,399,612
Shriram City Union Finance Ltd.	-	-	-	10	920	1,382,070
Berger Paints India Ltd.	-	-	-	1	5,000	1,224,000
Glaxosmithkline Consumer Healthcare Ltd.	-	-	-	10	200	1,207,350
Piramal Enterprises Limited	-	-	-	2	1,854	1,921,578
Welspun India Ltd.	-	-	-	10	13,950	1,380,352
Hexaware Technologies Ltd.	-	-	-	2	4,800	1,291,920
Union Bank Of India	-	-	-	10	5,350	699,780
Abbott India Ltd.	-	-	-	10	115	541,098
Page Industries Ltd.	-	-	-	10	57	690,663
Tata Power Co. Ltd.	-	-	-	1	9,750	630,338
Gillette India Ltd.	-	-	-	10	129	569,148
Godrej Industries Ltd.	-	-	-	1	1,915	679,825
Wabco India Limited	-	-	-	5	103	643,534
Neyveli Lignite Corpn. Ltd.	-	-	-	10	8,499	604,704
Bajaj Holdings Invst. Ltd.	-	-	-	10	325	477,262
Pidilite Industries Ltd.	-	-	-	1	2,000	1,178,600
Kansai Nerolac Paints Ltd.	-	-	-	1	4,125	1,157,475
Glaxosmithkline Pharmaceuticals Ltd.	-	-	-	10	354	1,350,422
Alembic Pharmaceuticals Ltd	-	-	-	2	925	553,520
Ujivian Financial Services Limited	10	13,850	5,863,398	-	-	-
Nilkamal Ltd.	10	4,600	8,978,740	-	-	-
Inox Wind Limited	10	16,000	2,727,200	-	-	-
Avenue Supermarts Limited	10	105,065	67,015,710	-	-	-
	(a)		<u>84,585,048</u>			<u>52,037,738</u>



EW Clover Scheme

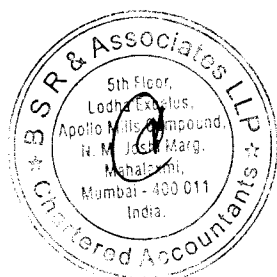
(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued)

as at 31 March 2017

(Currency : Indian Rupees)

	As at 31 March 2017			As at 31 March 2016		
Particulars	Face Value (fully paid)	Quantity	Amount	Face Value (fully paid)	Quantity	Amount
5 Investments (continued)						
Investments in mutual fund units (Unquoted)						
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option	-	-	-	10	128,491	474,775,895
Reliance MF - CPSE ETF - Growth Option	10	2,944,242	83,057,067	-	-	-
	(b)		<u>83,057,067</u>			<u>474,775,895</u>
Investment in equity shares (Unquoted)						
Shankara Building Products Limited	10	44,436	20,440,560	-	-	-
	(c)		<u>20,440,560</u>			<u>-</u>
Total Investments (a) + (b) + (c)			<u><u>188,082,675</u></u>			<u><u>526,813,633</u></u>
Aggregate amount of unquoted investment						
- At carrying value			103,497,627			474,775,895
Aggregate amount of quoted investment						
- At carrying value			84,585,048			52,037,738
- At market value			84,585,048			52,037,738



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued)

as at 31 March 2017

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
6 Cash and bank balances		
Cash and cash equivalents		
Balance with banks		
In current account	489,428,046	16,465,805
Other bank balances		
In deposit account (refer note 12.5)	20,000,000	20,000,000
	<u>509,428,046</u>	<u>36,465,805</u>
7 Loans and advances		
Advances recoverable in cash or in kind or for value to be received	21,500	99,343
Advance income tax	1,740,181	240,911
	<u>1,761,681</u>	<u>340,254</u>
8 Other Current assets		
Interest accrued on fixed deposits	1,384,785	1,064,789
Dividend receivable	-	1,440
Margin placed with broker	7,610,183	7,286,355
Receivable from exchange	5,504,569	494,861
	<u>14,499,537</u>	<u>8,847,445</u>



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to financial statements (continued) for the year ended 31 March 2017

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the period from 6 August 2015 to 31 March 2016
9 Income from Investments		
Profit on sale / redemption of Investments	91,577,509	70,157,568
Profit on futures & option trading	21,598,927	636,970
	<u>113,176,436</u>	<u>70,794,538</u>
10 Finance costs		
Interest on inter-corporate deposits (refer note 12.2)	12,851,506	-
Interest on loan from fellow subsidiaries (refer note 12.2)	13,299,070	1,216,438
Interest on late payment	5,304	3,255
	<u>26,155,880</u>	<u>1,219,693</u>
11 Administrative and operating expenses		
Auditors' remuneration (refer note below)	735,150	458,000
Clearing and custodian charges	379,796	239,888
Fund accounting charges	344,875	228,625
Legal and professional fees	74,750	-
Management fees	716,266	466,445
Rates and taxes	10,265	-
Security transaction tax	1,986,263	962,265
Trusteeship fees	500,000	400,750
	<u>4,747,365</u>	<u>2,755,973</u>
Note:-		
Auditors' remuneration:		
As auditor		
- Statutory Audit	658,750	458,000
- Tax audit	23,000	-
Reimbursement of expenses	53,400	-
	<u>735,150</u>	<u>458,000</u>



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

12. Notes to the financial statements (continued)

(Currency: Indian Rupees)

12.1 Segment reporting

The Scheme has operated only in one business segment during the year viz. capital based business comprising of trading and investment activities. Therefore, the Scheme has only one reportable business segment, the results of which are disclosed in the financial statements. Since business operations of the Scheme are concentrated in India, the Scheme is considered to operate only in domestic segment and therefore there is no reportable

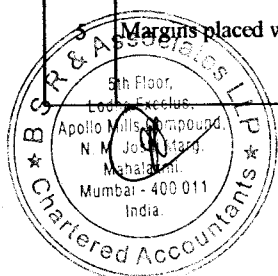
12.2 Related parties

i. List of related parties and relationship:

Name of related parties by whom control / significant influence is exercised	Edelweiss Financial Services Limited (Ultimate Holding Company) Edelweiss Alternative Asset Advisors Limited (Investment Manager) Edelweiss Trustee Services Limited (Trustee) Edelcap Securities Limited (Sponsor) Ecap Equities Limited (Contributor) Edel Commodities Trading Limited (Contributor upto Oct 17, 2016) EFSL Comtrade Limited (Contributor from Oct 17, 2016)
Fellow subsidiaries with whom transactions have taken place	Edelweiss Custodial Services Limited (Custodian) Edelweiss Finance & Investments Limited Edelweiss Securities Limited Edelweiss Commodities Services Limited Edelweiss Finvest Private Limited ECL Finance Limited

ii. Transactions with related parties :

Sr. no.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
	Capital account transactions during the year			
1	Unit capital contributed by	Edelcap Securities Limited Ecap Equities Limited Edel Commodities Trading Limited EFSL Comtrade Limited	- - - 125,000,000	250,000,000 125,000,000 125,000,000 -
2	Redemption of unit capital	Edel Commodities Trading Limited	125,000,000	-
3	Short term loans taken from (refer note below)	Edelweiss Finance & Investments Limited Edelweiss Finvest Private Limited ECL Finance Limited	450,000,000 490,000,000 500,000,000	400,000,000 - -
4	Short term loans repaid to (refer note below)	Edelweiss Finance & Investments Limited Edelweiss Finvest Private Limited ECL Finance Limited	450,000,000 490,000,000 500,000,000	400,000,000 - -
	Margins placed with broker (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	51,165,548 35,085,601	10,922,965 -



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

12. Notes to the financial statements (continued)

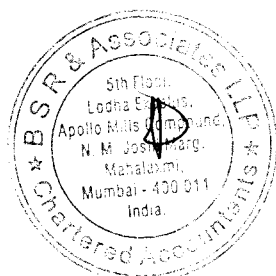
(Currency: Indian Rupees)

12.2 Related parties (continued)

ii. Transactions with related parties (continued)

Sr. no.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
6	Margins withdrawn from broker (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	58,451,903 27,475,418	3,636,610 -
	Current account transactions during the year			
7	Interest expense on loan taken from	Edelweiss Finance & Investments Limited Edelweiss Finvest Private Limited ECL Finance Limited	5,764,645 6,386,884 1,147,541	1,216,438 - -
8	Management fees paid to	Edelweiss Alternative Asset Advisors Limited	716,266	445,782
9	Trusteeship fees paid to	Edelweiss Trustee Services Limited	500,000	365,750
10	Custodian fees paid to	Edelweiss Custodial Services Limited	241,896	135,500
11	Brokerage paid to	Edelweiss Securities Limited Edelweiss Custodial Services Limited	2,126,272 368,567	1,461,936 -
12	Reimbursements paid to	Edelweiss Financial Services Limited	-	29,857
13	Clearing charges paid to	Edelweiss Securities Limited Edelweiss Custodial Services Limited	103,400 34,500	91,400 -
	Balances with related parties			
14	Trade payable to	Edelweiss Alternative Asset Advisors Limited Edelweiss Trustee Services Limited Edelweiss Custodial Services Limited Edelweiss Securities Limited	61,048 500,000 29,912 -	75,469 365,750 20,494 125,021
15	Other payable to	Edelweiss Financial Services Limited	-	29,857
16	Margins placed with broker	Edelweiss Securities Limited Edelweiss Custodial Services Limited	- 7,610,183	7,286,355 -

Note: 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.



EW Clover Scheme

(A Scheme of Edelweiss Alternative Investment Trust)

Notes to the financial statements (continued)

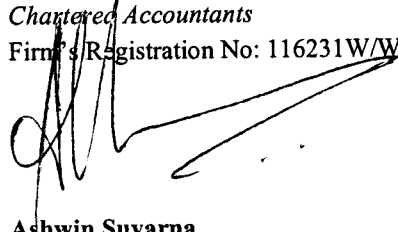
for the year ended 31 March 2017

12.6 Details of dues to micro and small enterprises

Trade Payables includes Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

As per our report of even date attached.

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



Ashwin Suvarna
Partner
Membership No: 109503

Place: Mumbai
Date: 15 May 2017

For and on behalf of the
Investment Manager
**Edelweiss Alternative Asset
Advisors Limited**



Gaurang Tailor
Director
DIN: 00010292

Place: Mumbai
Date: 15 May 2017

For and on behalf of the
Trustee
**Edelweiss Trustee Services
Limited**



Biren Shah
Director
DIN: 01258542

Place: Mumbai
Date: 15 May 2017