



KHANDELWAL PRAKASH MURARI BHANDARI & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS REPORT

TO
THE MEMBERS OF
EDEL INVESTMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **EDEL INVESTMENT LIMITED** ("the company") which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

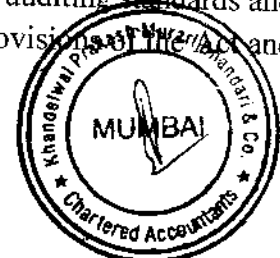
Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act' 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, judgments and estimates that are reasonable and prudent and design, implementation 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 & fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain assurance 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 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

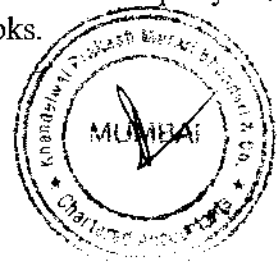
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financials statements give the information required by the act in the manner so requires and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2015
- b) In the case of the Statement of Profit & Loss , of the profit of the company for the year ended on that date and
- c) In the case of cash flow statement, of the cash flow of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

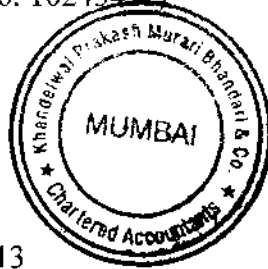


- c) The Balance sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as director in terms of section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

(Firm's Registration No. 102454W)



Pawan Kumar Gupta

Partner

Membership No. 051713

Place: Mumbai

Date: 14 May 2015

EDEL INVESTMENT LIMITED

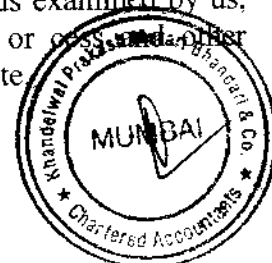
Annexure to Independent Auditors Report

(Referred to in paragraph 1 of our report of "Report on Other Legal and Regulatory Requirements" of even date)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) Based on our examination of documents and records, the company does not own any fixed assets as at the balance sheet date, hence clause 3(i) of the order is not applicable.
- (ii) Based on our examination of documents and records, the company does not own any physical inventory at any time during the year and as at the balance sheet date, hence clause 3(ii) of the order is not applicable.
- (iii) According to the information and explanations given to us, during the year the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, hence clause 3(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weaknesses have been noticed in the internal controls in respect of these areas.
- (v) According to information and explanations given to us, during the year the Company has not accepted any deposits from the public, hence clause 3(v) of the order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of Cost records for the company under sub section (1) of Section 148 of the Companies Act, 2013.
- (vii)
 - a) According to the information and explanation given to us and records examined by us, the Company is generally being regular in deposit of income tax, Provident fund, service tax, or cess and any other material statutory dues applicable to it. As explained to us the Company does not have any dues on account of Employees' State Insurance, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Investor Education and Protection Fund.

According to the information and explanation given to us and records examined by us, there are no undisputed statutory dues payable in respect of Provident fund, income tax, service Tax, value added tax, or cess and any other material statutory dues applicable to it which are outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - b) According to the information and explanation given to us and records examined by us, there are no dues of Income Tax, service Tax, value added tax, or cess and any other material statutory dues which have not been deposited on account of any dispute.



- c) According to the information and explanation given to us, the company is not required to transfer funds to investor education protection fund.
- (viii) Based on our examination of books of accounts, there are no accumulated losses as at 31st March, 2015. The company has not incurred cash losses during the year. However, the company had incurred cash losses in the immediately preceding financial year.
- (ix) Based on the information available and explanations given by the management, the company has not taken any loan from financial institutions, bank or debenture holders and hence clause 3(ix) of the order is not applicable.
- (x) According to the information and explanation given to us, the Company has not given any guarantee during the year for loans taken by others from banks or financial institutions.
- (xi) The company has not taken any term loan during the year.
- (xii) To the best of our knowledge and according to the information and explanation given to us by the management, no fraud on or by the company, has been noticed or reported during the year.

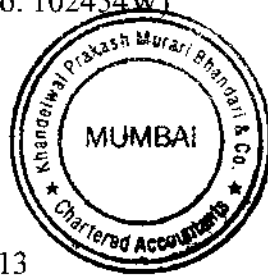
For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

(Firm's Registration No. 102454W)



Pawan Kumar Gupta
Partner
Membership No. 051713
Place: Mumbai
Date: 14 May 2015



Edel Investments Limited

Balance Sheet

(Currency : Indian Rupees)

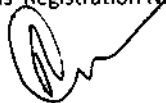
	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	13,200,000	8,700,000
(b) Reserves and surplus	2.2	22,923,014	6,633,133
		<u>36,123,014</u>	<u>15,333,133</u>
Non-current liabilities			
(a) Long-term provisions	2.3	31,000	-
Current liabilities			
(a) Short-term borrowings	2.4	86,341,881	13,300,000
(b) Trade payables		836,847	30,905,259
(c) Other current liabilities	2.5	2,162,180	1,082,586
(d) Short-term provisions	2.6	3,000	-
		<u>89,343,908</u>	<u>45,287,845</u>
TOTAL		<u><u>125,497,922</u></u>	<u><u>60,620,978</u></u>
ASSETS			
Non-current assets			
(a) Deferred tax assets (net)	2.7	11,241	-
(b) Long-term loans and advances	2.8	8,866,688	329,379
		<u>8,877,929</u>	<u>329,379</u>
Current assets			
(a) Trade receivables	2.9	1,418,878	54,760,057
(b) Cash and cash equivalents	2.10	36,551,378	74,230
(c) Short-term loans and advances	2.11	22,343,418	19,062
(d) Other current assets	2.12	56,306,319	5,438,250
		<u>116,619,993</u>	<u>60,291,599</u>
TOTAL		<u><u>125,497,922</u></u>	<u><u>60,620,978</u></u>
Significant accounting policies and notes to financial statements	1 & 2		

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

Firms' Registration No. 102454W



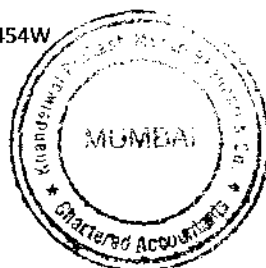
Pawan Kumar Gupta

Partner

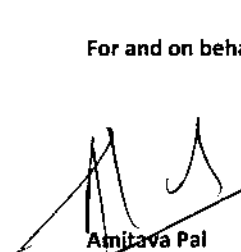
Membership No: 051713

Mumbai

14 May 2015



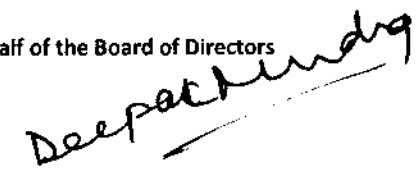
For and on behalf of the Board of Directors



Amitava Pal

Director

DIN: 06710030



Deepak Mundra

Director

DIN: 06733120

Edel Investments Limited

Statement of Profit and Loss

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations			
Income from treasury operations and investments	2.13	86,217,100	(4,272,549)
Sale of commodities		738,607,080	30,403,784
Interest income	2.14	35,007,024	2,853,399
Total revenue		859,831,204	28,984,634
Expenses			
Purchases of commodities		762,792,156	30,302,775
Employee benefit expenses	2.15	1,332,368	561,800
Finance costs	2.16	52,219,652	3,021,601
Other expenses	2.17	28,763,506	3,991,890
Total expenses		845,107,682	37,878,066
Profit/(loss) before tax		14,723,522	(8,893,432)
Tax expense:			
Income tax (includes excess provisions for earlier years Rs. 963)		2,944,882	-
Deferred tax		(11,241)	-
Profit/(loss) for the year		11,789,881	(8,893,432)
Earnings per equity share (Face value of Rs. 10 each)			
(1) Basic	2.23	13.55	(10.22)
(2) Diluted		13.55	(10.22)

Significant accounting policies and notes to financial statements 1 & 2

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

Firms' Registration No. 102454M



Pawan Kumar Gupta

Partner

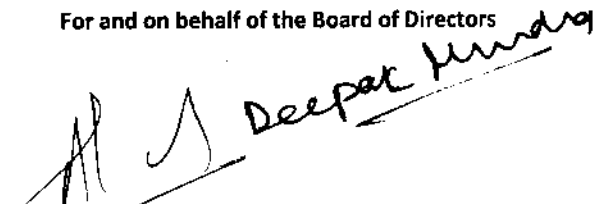
Membership No: 051713

Mumbai

14 May 2015



For and on behalf of the Board of Directors



Amitava Pal

Director

DIN: 06710030

Deepak Mundra

Director

DIN: 06733120

Edel Investments Limited

Cash Flow Statement

(Currency : Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
A Cash flow from operating activities		
Profit/(loss) before taxation	14,723,522	(8,893,432)
<i>Adjustments for</i>		
Interest income	(7,042,484)	(1,849,946)
Interest expense	37,602,744	3,021,601
Provision for gratuity and compensated leave absences	34,000	-
Operating cash flow before working capital changes	45,317,782	(7,721,777)
<i>Adjustments for</i>		
Decrease/(increase) in trade receivables	53,341,179	(54,760,057)
Increase in loans and advances	(924,871)	(50,546)
Increase in other assets	(50,740,559)	(5,438,250)
(Decrease)/increase in liabilities and provisions	(29,044,228)	31,822,424
Cash generated from/(used in) operations	17,949,303	(36,148,206)
Income tax paid	(11,468,675)	(727,542)
Net cash generated from / (used in) operating activities - A	6,480,628	(36,875,748)
B Cash flow from investing activities		
Fixed deposits matured	-	23,800,000
Interest received	6,914,974	1,880,054
(Increase) in short term/long term loans and advances (net) (Refer note 2)	(21,413,000)	-
Net cash (used in)/generated from investing activities - B	(14,498,026)	25,680,064
C Cash flow from financing activities		
Proceeds from issue of preference share capital including premium	9,000,000	-
Proceeds from long/short term borrowings (refer note 2)	73,041,881	13,300,000
Interest paid	(37,547,334)	(2,922,270)
Net cash generated from financing activities - C	44,494,547	10,377,730
Net increase/(decrease) in cash and cash equivalents (A+B+C)	36,477,148	(817,954)
Cash and cash equivalents as at the beginning of the year	74,230	892,184
Cash and cash equivalents as at the end of the year (refer note 1)	36,551,378	74,230

Notes:

1 Cash and cash equivalents include the following: (refer note 2.10)

Balances with scheduled banks:

In current accounts

Cash and cash equivalents

36,551,378

74,230

36,551,378

74,230

2 Net figures have been reported on account of volume of transactions.

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co
Chartered Accountants
Firms' Registration No: 102459

Pawan Kumar Gupta
Partner
Membership No: 051713
Mumbai
14 May 2015



For and on behalf of the Board of Directors


Amitava Pal
Director
DIN: 06710030


Deepak Mundra
Director
DIN: 06733120

Edel Investments Limited

Notes to the financial statements for the year ended 31 March 2015

(Currency: Indian Rupees)

1. Significant accounting policies

1.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter together referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian rupees.

1.2 Use of estimates

The preparation of the financial statements in conformity with the GAAP requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities as on the date of the financial statement. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An Asset is classified as current when it satisfies any of the following criteria:

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

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

All other assets are classified as non-current.



Edel Investments Limited

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

(Currency: Indian Rupees)

1. Significant accounting policies (continued)

1.3 Current-non-current classification (continued)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

1.4 Revenue recognition

- Income from treasury operations comprises profit/loss on sale of securities and profit/loss on currency derivative instruments.
 - i. Profit/ loss on sale of securities are determined based on the weighted average cost of the securities sold.
 - ii. Realised profit/ loss on closed positions of derivative instruments are 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.
- Interest income is recognised on accrual basis.
- Dividend income is recognised when the right to receive payment is established.
- Sale of commodity is recognized when all the significant risks and rewards have been passed to the buyer.



Edel Investments Limited

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

(Currency: Indian Rupees)

1. Significant accounting policies (*continued*)

1.5 Stock in trade

- The securities acquired with the intention of short-term holding and as trading positions are considered as stock in trade and disclosed as current assets.
- The securities held as stock in trade are valued at lower of weighted average cost or market value.
- Stock in trade in the form of commodities are valued at weighted average cost or net realisable value, whichever is lower.

1.6 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income Tax Act, 1961) and deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

Current tax

Provision for current tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/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.

1.7 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earnings Per Share notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding for 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.



Edel Investments Limited

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

(Currency: Indian Rupees)

1. Significant accounting policies (*continued*)

1.8 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.

1.9 Employee benefits

The accounting policy followed by the Company in respect of its employee benefit schemes in accordance with Accounting Standard 15 (revised 2005), is set out below:

Provident fund

The Company contributes to a recognized provident fund which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses 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.



Edel Investments Limited

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

(Currency: Indian Rupees)

1. Significant accounting policies *(continued)*

1.9 *Employee benefits (continued)*

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 ceiling. The Company recognizes the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement as per Accounting Standard 15 – Accounting for employee benefits prescribed under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 based on a valuation by an independent actuary.



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.1 Share capital		
Authorised :		
2,000,000 (Previous year 2,500,000) Equity shares of Rs. 10/- each	20,000,000	25,000,000
500,000 (Previous year: Nil) Preference shares of Rs. 10/- each	5,000,000	-
	<u>25,000,000</u>	<u>25,000,000</u>
Issued, Subscribed and Paid up:		
870,000 (Previous year: 870,000) Equity shares of Rs. 10/- each, fully paid-up	8,700,000	8,700,000
450,000 (Previous year: Nil) 7% Redeemable non-cumulative, non-convertible, preference shares of Rs. 10 each	4,500,000	-
	<u>13,200,000</u>	<u>8,700,000</u>

Note:

870,000 (Previous year: 870,000) equity shares of Rs. 10 each fully paid up are held by Edelweiss Financial Services Limited, the holding company and its nominees

450,000 preference shares (Previous year: Nil) are held by Edelweiss Financial Services Limited, the holding company

Reconciliation of number of equity shares outstanding :

Number of shares outstanding at the beginning of the year	870,000	870,000
Shares issued during the year	-	-
Number of shares outstanding at the end of the year	<u>870,000</u>	<u>870,000</u>

Reconciliation of equity share capital:

Share capital at the beginning of the year	8,700,000	8,700,000
Share capital issued during the year	-	-
Share capital at the end of the year	<u>8,700,000</u>	<u>8,700,000</u>

Reconciliation of number of preference shares outstanding:

Number of shares outstanding at the beginning of the year	-	-
Shares issued during the year	450,000	-
Number of shares outstanding at the end of the year	<u>450,000</u>	<u>-</u>

Reconciliation of preference share capital:

Share capital at the beginning of the year	-	-
Share capital issued during the year	4,500,000	-
Share capital at the end of the year	<u>4,500,000</u>	<u>-</u>

Terms/rights attached to equity shares:

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

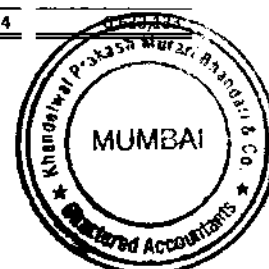
Terms/rights attached to preference shares:

The Preference Shares of Rs. 10 each were allotted on March 31, 2015 for cash at a premium of Rs.10 per share.

The Preference Shares will be redeemed at the end of 10 years from the date of allotment. The Shares would be redeemed at Rs. 20 /- per share with an option to the Company to redeem the Shares at any time after a period of 3 months from the date of allotment.

2.2 Reserves and surplus

Securities premium account		
Opening balance	12,300,000	12,300,000
Add : Additions during the year	4,500,000	-
	<u>16,800,000</u>	<u>12,300,000</u>
Statement of profit and loss		
Opening balance	(5,666,867)	3,226,565
Add: Profit/(loss) for the year	11,789,881	(8,893,432)
Closing balance in statement of profit and loss	<u>6,123,014</u>	<u>(5,666,867)</u>
	<u>22,923,014</u>	<u>6,633,133</u>



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	23,000	-
Compensated leave absences	8,000	-
	<u>31,000</u>	<u>-</u>
2.4 Short-term borrowings		
<i>Unsecured</i>		
Loans and advances from related parties (repayable on demand, at variable rate of interest)	86,341,881	13,300,000
	<u>86,341,881</u>	<u>13,300,000</u>
2.5 Other current liabilities		
Interest accrued and due on borrowings	154,741	99,331
Premium received on exchange traded options	-	624,000
Other Payables		
Withholding tax and other taxes payable	2,007,439	359,255
	<u>2,162,180</u>	<u>1,082,586</u>
2.6 Short-term provisions		
Provision for employee benefits		
Compensated leave absences	3,000	-
	<u>3,000</u>	<u>-</u>



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.7 Deferred tax asset		
<i>Tax effect of timing differences on account of:</i>		
Disallowances under section 43B of the Income Tax Act, 1961	11,241	-
	<u>11,241</u>	<u>-</u>
2.8 Long-term loans and advances		
Other deposits	45,000	45,000
(Current year Rs. 45,000; Previous year Rs. Nil), marked as lien in favour of Commissioner of Value Added Tax, Gujarat)		
Advance income taxes (Net of income tax provision Rs. 3,872,726; Previous year Rs. 1,251,946)	8,821,688	284,379
	<u>8,866,688</u>	<u>329,379</u>
2.9 Trade receivables		
Other debts		
Unsecured, considered good	1,418,878	54,760,057
	<u>1,418,878</u>	<u>54,760,057</u>



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.10 Cash and cash equivalents		
Balances with banks - in current accounts	36,551,378	74,230
	<u>36,551,378</u>	<u>74,230</u>
2.11 Short-term loans and advances		
<i>Unsecured</i>		
Loans and advances to related parties	500,000	-
Loans and advances to others	20,913,000	-
Other loans and advances		
Prepaid expenses	7,509	5,546
Vendor Advances	1,655	-
Cenvat and VAT assets	921,254	-
Advance tax and tax deducted at source (Net of provision for tax Rs. Nil; Previous year: 624,935)	-	13,516
	<u>22,343,418</u>	<u>19,062</u>
2.12 Other current assets		
Accrued interest on loans given	127,510	-
Accrued interest on margin	87,925	55,750
Currency options premium paid	3,275,000	5,382,500
Margin placed with broker	52,815,884	-
	<u>56,306,319</u>	<u>5,438,250</u>



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.13 Income from treasury operations and investments		
Profit on trading of securities (net)	5,612,344	2,446
Profit on trading in equity derivative Instruments (net)	192,961,016	-
Loss on trading in commodity derivative instruments (net)	(9,520,000)	-
Loss on trading in currency derivative instruments (net)	(102,837,768)	(4,274,995)
Dividend on stock in trade	1,508	-
	<u>86,217,100</u>	<u>(4,272,549)</u>
2.14 Interest income		
Interest income on loan	3,203,771	1,426,585
Interest income on fixed deposits	3,838,713	423,361
Interest income on margin with brokers	14,046,226	1,003,453
Interest income on overdue accounts	13,918,314	-
	<u>35,007,024</u>	<u>2,853,399</u>



Edel Investments Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.15 Employee benefit expenses		
Salaries and wages (refer note 2.28)	1,304,335	561,800
Contribution to provident and other funds	21,411	-
Staff welfare expenses	6,622	-
	<u>1,332,368</u>	<u>561,800</u>
2.16 Finance costs		
Interest on loan from fellow subsidiaries	37,602,744	3,021,601
Interest - others	14,616,796	-
Financial and bank charges	112	-
	<u>52,219,652</u>	<u>3,021,601</u>
2.17 Other expenses		
Auditors' remuneration (refer note 2.20)	50,886	41,798
Communication	36,195	-
Clearing and custodian charges	220,000	-
Dematerialisation charges	-	34,551
Electricity charges (refer note 2.28)	15,489	-
Legal and professional fees	247,063	90,596
Office expenses	950	-
Printing and stationery	6,155	2,678
Rates and taxes	7,450	3,348
Rent (refer note 2.28)	133,393	-
Security transaction tax	15,905,954	30
Service tax expenses	1,257,103	2,041,167
Stamp duty	10,480,621	1,767,722
Stock exchange expenses	112,749	10,000
Travelling and conveyance	26,400	-
Warehousing charges	263,098	-
	<u>28,763,506</u>	<u>3,991,890</u>



Edel Investments Limited

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

(Currency: Indian Rupees)

2.18 Segment reporting

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

2.19 Related Parties

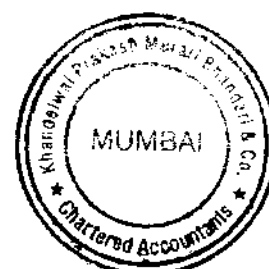
In accordance with Accounting Standard 18 on Related party transactions notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i. List of related parties and relationship:

Name of related parties by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Commodities Services Limited Ecap Equities Limited Edelweiss Web Services Limited Edelweiss Securities Limited Edel Commodities Ltd EFSL Comtrade Limited Edelweiss Integrated Commodity Management Limited (from 24 July 2014)

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	Amount 31 March 2015	Amount 31 March 2014
	Capital Account Transactions during the year			
1	Issue of preference share capital (including premium) to	Edelweiss Financial Services Limited	9,000,000	-
2	Short term loans taken from (refer note below)	Edelweiss Commodities Services Limited	1,926,866,580	98,300,000
3	Short term loans repaid to (refer note below)	Edelweiss Commodities Services Limited	1,853,824,699	85,000,000
4	Long term loans given to (refer note below)	Edelweiss Commodities Services Limited	-	20,000,000
5	Long term loans repaid by (refer note below)	Edelweiss Commodities Services Limited	-	20,000,000
6	Short term loans given to (refer note below)	Edelweiss Commodities Services Limited Ecap Equities Limited	- 76,300,000	73,000,000 -
7	Short term loans repaid by (refer note below)	Edelweiss Commodities Services Limited Ecap Equities Limited	- 75,800,000	73,000,000 -
8	Nomination deposits received from	Edelweiss Financial Services Limited	200,000	-
9	Nomination deposits received returned	Edelweiss Financial Services Limited	200,000	-



Edel Investments Limited

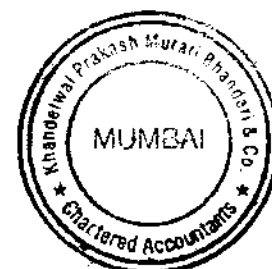
Notes to the financial statements for the year ended 31 March 2015 (continued)

(Currency: Indian Rupees)

2.19 Related Parties (continued)

ii. Transactions with related parties (continued)

Sr. No.	Nature of Transaction	Related Party Name	Amount 31 March 2015	Amount 31 March 2014
10	Margins placed with (refer note below)	Edelweiss Securities Limited	1,359,680,933	100,518,520
11	Margins withdrawn by (refer note below)	Edelweiss Securities Limited	1,360,329,650	45,758,464
Current Account Transactions during the year				
12	Purchase of commodities from	Edel Commodities Limited	679,560,156	30,302,775
		Edelweiss Commodities Services Limited	83,232,000	-
13	Sale of commodities to	Edelweiss Commodities Services Limited	738,607,080	-
14	Interest income on loans given to	Edelweiss Commodities Services Limited	-	1,426,585
		Ecap Equities Limited	1,525,404	-
15	Interest income on margins placed with	Edelweiss Securities Limited	14,046,226	1,003,453
16	Interest income on delayed payments from	Edelweiss Commodities Services Limited	13,918,314	-
17	Net amount incurred on settlement of forward contracts	Ecap Equities Limited	7,560,000	-
		EFSL Comtrade Limited	1,960,000	-
18	Warehousing income from	Edelweiss Commodities Services Limited	2,699,175	-
19	Interest expense on loans taken from	Edelweiss Commodities Services Limited	37,602,744	3,021,601
20	Interest paid on delayed payments to	Edel Commodities Limited	14,613,031	-
21	Reimbursements paid to	Edelweiss Financial Services Limited	8,406,422	456,757
		Edelweiss Commodities Services Limited	400	-
		Edelweiss Web Services Limited	600	-
22	Clearing charges paid to	Edelweiss Securities Limited	220,000	-
23	Cost reimbursements paid to	Edelweiss Securities Limited	562,300	510,750
		Edelweiss Commodities Services Limited	148,882	-
24	Warehousing expenses paid to	Edelweiss Integrated Commodity Management Limited	102,873	-
		Edel Commodities Ltd	2,859,400	-



Edel Investments Limited

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

(Currency: Indian Rupees)

2.19 Related Parties (continued)

ii. Transactions with related parties (continued)

Sr. No.	Nature of Transaction	Related Party Name	Amount 31 March 2015	Amount 31 March 2014
	Balances with Related Parties			
25	Short term loans taken from	Edelweiss Commodities Services Limited	86,341,881	13,300,000
26	Trade payables to	Edelweiss Securities Limited	511,800	522,804
		Edel Commodities Limited	-	30,302,775
		Edelweiss Integrated Commodity Management Limited	92,586	-
		Edelweiss Financial Services Limited	9,906	-
27	Interest payable on loans taken from	Edelweiss Commodities Services Limited	154,741	99,331
28	Trade receivables from	Edelweiss Securities Limited	1,295,456	54,760,057
		Edelweiss Commodities Services Limited	117,423	-
29	Short term loans given to	ECap Equities Limited	500,000	-
30	Interest receivable on loans given to	ECap Equities Limited	2,977	-
31	Interest receivable on margins palced with	Edelweiss Securities Limited	87,925	55,750
32	Margin placed with	Edelweiss Securities Limited	52,815,884	-

Note: Loan given/taken to/from related 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.



Edel Investments Limited

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

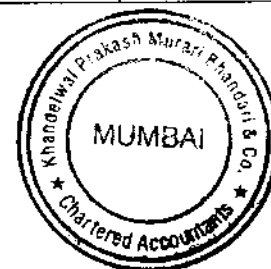
(Currency: Indian Rupees)

2.20 Auditors' remuneration

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
As Auditors	40,489	35,200
Others	10,397	6,598
Total	50,886	41,798

2.21 Details of purchase, sale and change in stock in trade:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
a) Securities		
Opening stock		
Equity shares	-	-
Subtotal	-	-
Purchase		
Equity shares	12,536,448	27,783
Subtotal	12,536,448	27,783
Sales		
Equity shares	18,148,792	30,229
Subtotal	18,148,792	30,229
Closing stock		
Equity shares	-	-
Subtotal	-	-
Profit on trading of securities	5,612,344	2446



Edel Investments Limited

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

(Currency: Indian Rupees)

2.21 Details of purchase, sale and change in stock in trade (continued)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
b) Commodities		
Opening stock		
Agri	-	-
Subtotal	-	-
Purchase		
Agri	762,792,156	30,302,775
Subtotal	762,792,156	30,302,775
Sale		
Agri	738,607,080	30,403,784
Subtotal	738,607,080	30,403,784
Closing stock		
Agri	-	-
Subtotal	-	-
(Loss)/Profit on trading of commodities	(24,185,076)	101,009

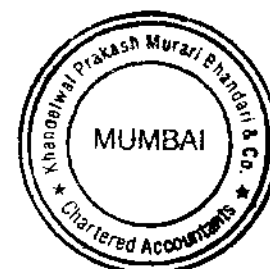
2.22 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits:

A) Defined contribution plan (provident fund)

Amount of Rs. 21,411 (Previous year: Rs. Nil) is recognised as expenses and included in "employee benefit" – Notes 2.15 in the statement of profit and loss.

(B) Defined benefit plan (gratuity):

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity benefit plan.



Edel Investments Limited

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

(Currency: Indian Rupees)

2. 22 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits (continued)

Statement of profit and loss of the year

Net employee benefit expenses (recognised in employee cost):

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	12,000	-
Interest on defined benefit obligation	1,000	-
Actuarial (gain)/loss	4,000	-
Total included in employee benefit expenses	17,000	-

Balance sheet

Details of provision for gratuity:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Liability at the end of the year	23,000	-
Amount in balance sheet	23,000	-

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

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Transfer in/(out)	6,000	-
Interest cost	1,000	-
Current service cost	12,000	-
Actuarial (gain)/loss on obligations	4,000	-
Liability at the end of the year	23,000	-

Non-current liability at the end of the year 23,000/-

Current liability at the end of the year Nil



Edel Investments Limited

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

(Currency: Indian Rupees)

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

Amount recognised in the balance sheet:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Liability at the end of the year	23,000	-
Fair value of plan assets at the end of year	-	-
Amount recognized in balance sheet	23,000	-

Principle actuarial assumptions at the balance sheet date:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate current	7.80%	-
Salary escalation current	7.00%	-
Employees attrition rate	13%-25%	-



Edel Investments Limited

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

(Currency: Indian Rupees)

2.23 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 2015	For the year ended 31 March 2014
(a)	Profit after tax (as per statement of profit and loss)	11,789,881	(8,893,432)
	Less: dividend on preference share capital	-	-
	Net profit for the year attributable to equity shareholders	11,789,881	(8,893,432)
(b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	870,000	870,000
	Number of Shares issued during the year	-	-
	Total number of equity shares outstanding at the end of the year	870,000	870,000
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	870,000	870,000
(c)	Basic and diluted earnings per share (in rupees) (a)/(b)	13.55	(10.22)

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



Edel Investments Limited

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

(Currency: Indian Rupees)

2.24 The following currency option contracts are outstanding as on balance sheet date

Name of currency option	Total premium carried forward (Net of provision made)	
	As at 31 March 2015	As at 31 March 2014
USDINR	3,275,000	4,758,500

The following currency futures have open interest as on the balance sheet date

Name of currency future	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Number of contracts	Number of units involved	Number of contracts	Number of units involved
Short position – USDINR	8927	8,927,000	13,065	13,065,000

2.25 Earnings and expenditure in foreign currency

The Company did not have any earnings or expenditure in foreign currency during the reporting year (previous year Rs. Nil).

2.26 Details of dues to micro, small and medium enterprises

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

2.27 Capital commitments and contingent liabilities

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



Edel Investments Limited

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

(Currency: Indian Rupees)

2.28 Cost Sharing:

Edelweiss Securities Limited (ESL) and Edelweiss Commodities Services Limited (ECSL) ("The fellow subsidiaries") incurs expenditure like common senior management compensation cost, electricity and rent which is for the benefit of the Company. These costs so expended are reimbursed by the Company on the basis of number of employees, area occupied and time spent by employees of ESL and ECSL for the company, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in note 2.15 and 2.17 are gross of the reimbursement.

As per our report of even date attached.

For Khandelwal Prakash Murari Bhandari & Co.

Chartered Accountants

Firm Registration No. 102454W



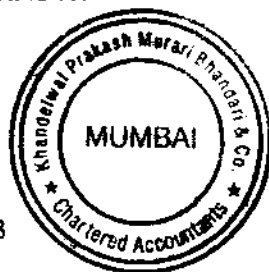
Pawan Kumar Gupta

Partner

Membership No.051713

Mumbai

14 May 2015



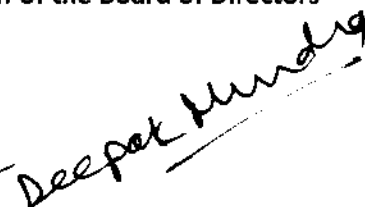
For and on behalf of the Board of Directors



Amitava Pal

Director

DIN: 06710030



Deepak Mundra

Director

DIN: 06733120