

Independent Auditors' Report

To the Directors of
EAAA LLC

Report on the Financial Statements

We have audited the accompanying financial statements of EAAA LLC ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

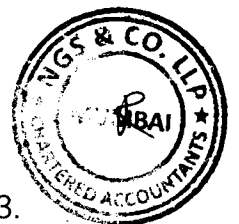
The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company. This responsibility also includes maintenance of adequate accounting records for safeguarding 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.

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, which requires 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 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 controls system over financial reporting and the operating effectiveness of such controls. 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.



B - 46, 3rd Floor, Pravasi Estate, V N Road, Goregaon (E), Mumbai - 400 063.

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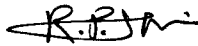
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its profit and its cash flows for the year ended on that date.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W



R.P.Soni
Partner
Membership No. 104796
Place: Mumbai
Date: 24 April 2018



EAAA LLC

Cash Flow Statement

(Currency: Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A Cash flow from operating activities		
Profit before taxation	11,74,92,144	3,87,258
<i>Adjustments for</i>		
Dividend income	-	(13,32,326)
Interest expense	10,98,863	41,42,895
Operating cash flow before working capital changes	<u>11,85,91,007</u>	<u>31,97,827</u>
<i>Adjustments for working capital changes</i>		
Increase in trade payable	77,307	2,63,016
Increase in trade receivables	58,35,473	6,447
(Decrease)/increase in loans and advances	(919)	-
Cash generated from operating activities	<u>12,45,02,868</u>	<u>34,67,290</u>
Income taxes paid	-	-
Net cash generated from operating activities - A	<u>12,45,02,868</u>	<u>34,67,290</u>
B Cash flow from investing activities		
Purchase of non- current investments	-	(2,72,517)
Loan given to subsidiaries (net) (Refer note below)	(7,25,59,235)	11,405
Sale of non- current investments	-	47,61,307
Dividend on long term investment	-	13,32,326
Net cash (used in) / generated from investing activities - B	<u>(7,25,59,235)</u>	<u>58,32,522</u>
C Cash flow from financing activities		
Repayment of short term borrowings (refer note below)	(5,31,46,350)	(2,04,65,105)
Interest paid	(10,98,863)	(41,42,895)
Net cash used in financing activities - C	<u>(5,42,45,214)</u>	<u>(2,46,08,000)</u>
D Change in foreign exchange translation reserve- D	9,28,358	(16,09,665)
Net decrease in cash and cash equivalents (A+B+C+D)	<u><u>(13,73,223)</u></u>	<u><u>(1,69,17,853)</u></u>
Cash and cash equivalent as at the beginning of the year	17,89,011	2,45,42,337
Cash and cash equivalent as at the end of the year (refer note 2.6)	4,14,946	17,89,011

Notes:

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



EAAA LLC

Notes to the financial statements (*continued*)

for the year ended 31 March 2018

(Currency: Indian rupees)

1. Significant accounting policies (*continued*)

1.7 Earnings per share

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

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of ordinary shares and dilutive potential ordinary shares outstanding at year end.

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 Investments

Investments are classified into non-current investments and current investments. Investments which are intended to be held for one year or more are classified as non-current investments and investments which are intended to be held for less than one year are classified as current investments.

Non-current investments are carried at cost less other than any temporary diminution in value, determined separately for each investment.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.



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Balance Sheet

(Currency: Indian rupees)

	Note	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	62,473,338	62,473,338
Reserves and surplus	2.2	<u>125,982,231</u> 188,455,569	<u>7,181,510</u> 69,654,847
Current liabilities			
Short-term borrowings	2.3	5,203,528	38,349,878
Trade payables		<u>703,800</u> 5,906,328	<u>625,493</u> 38,975,372
TOTAL		<u>194,361,097</u>	<u>128,630,219</u>
ASSETS			
Non-current investments			
	2.4	<u>120,612,185</u> 120,612,185	<u>120,231,124</u> 120,231,124
Current assets			
Trade receivables	2.5	-	5,835,474
Cash and cash equivalents	2.6	414,946	1,789,011
Short-term loans and advances	2.7	<u>73,334,765</u> 73,749,711	<u>774,611</u> 8,399,095
TOTAL		<u>194,361,097</u>	<u>128,630,219</u>

Significant accounting policies and notes to the financial statements

1 & 2

As per our report of even date attached.

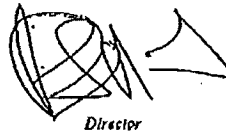
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119830W

For and on behalf of the Board of Directors



R. P. Sont
Partner
Membership No.: 104796




Director


Director

Mumbai
Date: 24 April 2018

AAAA LLC

Statement of Profit and Loss

(Currency: Indian rupees)

Particulars	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations			
Advisory fee income		128,894,815	6,038,064
Other income	2.8	436,724	1,322,324
Total revenue		129,331,539	7,370,390
Expenses			
Finance costs	2.9	1,314,379	4,242,682
Other expenses	2.10	10,515,016	2,703,410
Total expenses		11,839,395	6,983,132
Profit before tax		117,492,144	387,258
Tax expense			
Current tax		-	-
Deferred tax benefit		-	-
Profit for the year		117,492,144	387,258
Earnings per ordinary share	2.12		
Basic and diluted (par value USD 1 each)		106.71	0.33

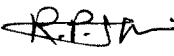
Significant accounting policies and notes to the financial statements

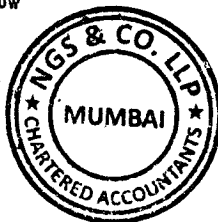
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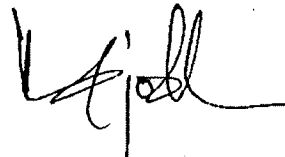
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

For and on behalf of the Board of Directors


R. P. Soni
Partner
Membership No.: 104796




Director


Director

Mumbai
Date: 24 April 2018

EAAA LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.1 Share capital		
Authorised :		
1,101,001 (Previous year: 1,101,001) Ordinary shares of USD 1 each	6,24,67,000	6,24,67,000
100 (Previous year: 100) Class B shares of USD 1 each	6,338	6,338
	<u>6,24,73,338</u>	<u>6,24,73,338</u>
Issued, subscribed and fully paid up:		
1,101,001 (Previous year: 1,101,001) Ordinary shares of USD 1 each	6,24,67,000	6,24,67,000
100 (Previous year: 100) Class B shares of USD 1 each	6,338	6,338
	<u>6,24,73,338</u>	<u>6,24,73,338</u>

(The Ordinary shares are entirely held by EC International Limited, the holding company)

<i>The movement in share capital during the year :</i>	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Ordinary shares				
Outstanding at the beginning of the year	11,01,001	6,24,67,000	11,01,001	6,24,67,000
Issued during the year	-	-	-	-
As at end of the year	<u>11,01,001</u>	<u>6,24,67,000</u>	<u>11,01,001</u>	<u>6,24,67,000</u>
Class B shares				
Outstanding at the beginning of the year	100	6,338	100	6,338
Issued during the year	-	-	-	-
As at end of the year	<u>100</u>	<u>6,338</u>	<u>100</u>	<u>6,338</u>

Terms/rights attached to ordinary shares

Ordinary shares

Each holder of ordinary shares is entitled to one vote per share held. Dividend declared by the Company, if any, will be paid in USD.

In the event of liquidation of the Company, the holders of ordinary shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

Terms/rights attached to class B shares

Class B shares

Holders of Class B shares shall have no voting rights/ no rights to control the management of the Company but shall have rights to participate in the income and profits of the Company.

In the event of liquidation of the Company, the holders of ordinary shares Class B will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

Details of Shareholders holding more than 5% shares

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of shares	Percentage of total number of shares	No. of shares	Percentage of total number of shares
Ordinary Shares				
EC International Limited	11,01,001	100	11,01,001	100
Class B Shares				
EC International Limited	95	95	95	95
Gamla Livforsakringsaktiebolaget SEB Trygg Liv (publ)	5	5	5	5

2.2 Reserves and surplus

Foreign exchange translation reserve	9,36,991	(3,71,587)
Surplus in statement of profit and loss		
Opening balance	75,53,096	71,65,838
Add: Profit for the year	11,74,92,144	3,87,258
Closing balance	<u>12,50,45,240</u>	<u>75,53,096</u>
	<u>12,59,82,231</u>	<u>71,81,510</u>

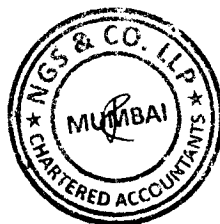


EAAA LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.3 Short term borrowings		
Unsecured		
Loan from related parties		
EC International Limited	-	5,83,49,878
[Variable interest rate repayable on demand and interest ranges from 7.61% to 7.63% (previous year Interest ranges from 6.92% to 7.29%)]		
EW India Special Assets Advisors LLC	26,01,764	-
EW Special Opportunities Advisors LLC (Interest free loan, repayable on demand)	26,01,764	-
	<u>52,03,528</u>	<u>5,83,49,878</u>



EAAA LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

2.4 Non-current investments - at cost	Quantity	As at 31 March 2018		Quantity	As at 31 March 2017		
		Face value	Amount		Face value	Amount	
Investments in shares of subsidiaries							
Class A shares							
EW Special Opportunities Advisors LLC*	25,000	USD 1	16,26,103	25,000	USD 1	16,20,965	
Class A shares							
EW India Special Assets Advisors LLC*	15,11,000	USD 1	9,82,81,635	15,11,000	USD 1	9,79,71,125	
Class B shares							
EW Special Opportunities Advisors LLC*	3,05,100	USD 1	1,98,44,955	3,05,100	USD 1	1,97,82,257	
Class B shares							
EW India Special Assets Advisors LLC*	900	USD 10	5,85,397	900	USD 10	5,83,547	
Class D shares							
EW Long Term Growth Opportunitites Fund*	1,000	USD 0.1	650	1,000	USD 0.1	648	
Investments in Ordinary shares of others							
EW Special Opportunities Fund II Pte Limited*	1	USD 1	65	1	USD 1	65	
EW RE Fund Pte Limited*	1	USD 1	-	1	USD 1	-	
Investment in Real Estate General Partner Pte Limited*	1	USD 1	65	1	USD 1	65	
Investment in The General Partner Pte. Ltd*	1	USD 1	65	1	USD 1	65	
Investment in EISAF General Partner Pte Ltd*	1	USD 1	65	1	USD 1	65	
Contribution in Partnership firm							
Investment in ESOF II LP*			65,044			64,839	
Investment in EW Real Estate Fund LP*			6,504			6,484	
Investment in Special Opportunities Fund II LP*			65,044			64,839	
Invst in Ew India Multi Credit Invest Vehi LP*			65,044			64,839	
Investment in EC partners LP*			65,044			64,839	
Investment in EISAF II LP*			6,504			6,484	
			<u>12,06,12,185</u>			<u>12,02,31,124</u>	
Aggregate of unquoted investment			12,06,12,185			12,02,31,124	
- At book value							

* Change in amount of Investment is due to foreign currency translation

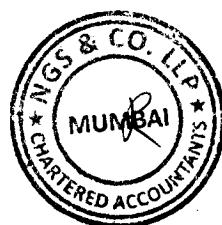


EAAA LLC

Notes to the financial statements (*continued*)

(Currency: Indian rupees)

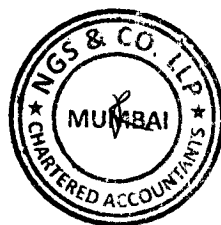
	As at 31 March 2018	As at 31 March 2017
2.5 Trade receivables		
Outstanding for a period exceeding six months		
Unsecured, considered good	-	58,35,474
Other debts		
Unsecured, considered good	-	58,35,474
	<u>-</u>	<u>58,35,474</u>
2.6 Cash and cash equivalents		
Balances with banks		
- in current accounts	4,14,946	17,89,011
	<u>4,14,946</u>	<u>17,89,011</u>
2.7 Short-term loans and advances		
Unsecured, considered good		
Loans and advances to Holding company	6,54,84,867	-
	<u>6,54,84,867</u>	<u>-</u>
Others		
Prepaid expenses	2,80,649	2,79,730
Advance to related parties	75,69,248	4,94,881
	<u>7,33,34,765</u>	<u>7,74,611</u>



EAAA LLC**Notes to the financial statements (continued)**

(Currency : Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.8 Other income		
Dividend income	-	13,32,326
Other Income	4,36,724	-
	<u>4,36,724</u>	<u>13,32,326</u>
2.9 Finance costs		
Interest expense	10,98,863	41,42,895
Bank charges	2,25,516	1,39,787
	<u>13,24,379</u>	<u>42,82,682</u>
2.10 Other expenses		
Auditors' remuneration (refer note below)	5,34,366	3,51,046
Communication	10,724	8,373
Directors fees	4,15,686	4,32,728
Legal and professional fees	82,37,952	7,14,504
License fees and ROC fees	2,43,901	2,53,934
Registered address expense	34,585	36,003
Secretarial expenses	52,012	54,144
Miscellaneous expenses	1,70,998	57,095
Travelling and conveyance	8,14,792	7,92,623
	<u>1,05,15,016</u>	<u>27,00,450</u>
Note:-		
Auditors' remuneration:		
As auditor	5,34,366	3,51,046
For out of pocket expenses	-	-
	<u>5,34,366</u>	<u>3,51,046</u>



EAAA LLC

Notes to the financial statement (*continued*)

(Currency: Indian rupees)

2.11 Segment reporting

The business of the Company is to render inter alia advisory and consultancy services, and accordingly it operates in one segment only. Hence, no segmental disclosures are required under Accounting Standard 17 on Segment Reporting specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

2.12 Earnings per share

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

	For the year ended 31 March 2018	For the year ended 31 March 2017
a) Shareholders earnings (as per statement of profit and loss)	11,74,92,144	3,87,258
b) Calculation of weighted average number of ordinary Shares of USD 1 each:		
– Number of shares at the beginning of the year	11,01,001	11,01,001
– Shares issued during the year (number of shares issued)	-	-
Total number of ordinary shares outstanding at the end of the year	11,01,001	11,01,001
Weighted average number of ordinary shares outstanding during the year (based on the date of issue of shares)	11,01,001	11,01,001
Nominal value per share in USD	1	1
c) Basic and diluted earnings per share (in rupees) (a/b)	106.71	0.35

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

2.13 Disclosure as required by the 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:

(A) Names of related parties by whom control is exercised

Edelweiss Financial Services Limited Ultimate holding company
EC International Limited Holding company

(B) Subsidiaries which are controlled by the Company and with whom transactions have taken place during the year

EW India Special Assets Advisors LLC, Mauritius
EW Special Opportunities Advisors LLC, Mauritius
EW SBI crossover Advisor LLC (Till 27th July, 2017)



EAAA LLC

Notes to the financial statements (continued)

(Currency : Indian rupees)

2.13 Related parties (continued)

(A) Transactions and balances with related parties:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Capital account transactions		
Professional Fees paid		
EW India Special Assets Advisors LLC	26,01,764	-
EW Special Opportunities Advisors LLC	26,01,764	-
Short term loans given to		
EC International Limited	6,54,84,867	-
Short term loan repaid to		
EC International Limited	5,83,49,878	-
Dividend income		
EW SBI Crossover Advisors LLC	-	13,32,326
Interest expense on loan		
EC International Limited	10,98,863	41,42,895
Balances with related parties		
Investments in		
Class A shares		
EW Special Opportunities Advisors LLC	16,26,103	16,20,965
EW India Special Assets Advisors LLC	9,82,81,635	9,79,71,125
Class B shares		
EW Special Opportunities Advisors LLC	1,98,44,955	1,97,82,257
EW India Special Assets Advisors LLC	5,85,397	5,83,547
Class D shares		
EW Long Term Growth Opportunitis Fund	650	648
Unsecured loan taken		
EW India Special Assets Advisors LLC	26,01,764	-
EC International Limited	-	5,83,49,878
EW Special Opportunities Advisors LLC	26,01,764	-
Short -term loans and advances given		
EC International	6,54,84,867	-
Trade receivable		
EC Global Limited	-	58,35,474

Note:

1. Loan given to/taken from related parties are disclosed based on the maximum incremental amount given/taken during the reporting period.
2. Current and capital account transactions are reported at average rate and balance sheet items are reported at closing rate.



EAAA LLC

Notes to the financial statement (continued)

(Currency: Indian rupees)

2.14 Capital commitments and contingent liabilities

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

2.15 Disclosure under Schedule III of the Companies Act

Disclosure under Schedule III of the Companies Act, 2013 has been made to the extent applicable to the Company.

2.16 Prior period comparatives

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

As per our report of even date attached


For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

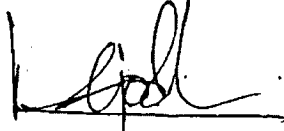

R. P. Soni
Partner
Membership No.: 104796

Mumbai
Date: 24 April 2018



For and on behalf of the Board of Directors


Director


Director