

Independent Auditors' Report

To the Directors of
EW Special Opportunities Advisors LLC

Report on the Financial Statements

We have audited the accompanying financial statements of **EW Special Opportunities Advisors 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

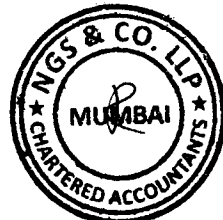
The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company. This responsibility also includes maintenance of adequate accounting records for safeguarding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

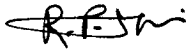


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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



EW Special Opportunity Advisors LLC

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	21,269,527	21,269,527
Reserves and surplus	2.2	(13,694,142)	(13,808,387)
		<u>7,575,384</u>	<u>7,461,140</u>
Current liabilities			
Trade payables		<u>353,288</u>	<u>307,603</u>
		<u>353,288</u>	<u>307,603</u>
TOTAL		<u>7,928,672</u>	<u>7,768,743</u>
ASSETS			
Non-current assets			
Non-current investments	2.3	<u>8,475</u>	<u>8,453</u>
		<u>8,475</u>	<u>8,453</u>
Current assets			
Trade receivables	2.4	2,601,764	2,593,544
Cash and cash equivalents	2.5	5,037,849	4,887,048
Short-term loans and advances	2.6	<u>280,584</u>	<u>279,698</u>
		<u>7,920,197</u>	<u>7,760,290</u>
TOTAL		<u>7,928,672</u>	<u>7,768,743</u>

Significant accounting policies and notes to the financial statements.

1 & 2.

As per our report of even date attached.

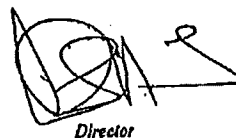
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

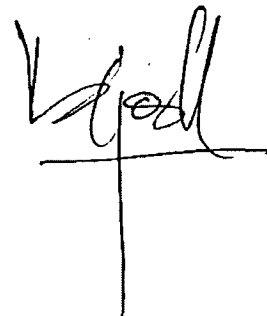
For and on behalf of the Board of Directors



R. P. Bori
Partner
Membership No.: 104796




Director



Mumbai
Date: 24 April 2018

EW Special Opportunities Advisors LLC

Statement of profit and loss

(Currency: Indian rupees)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations			
Advisory fee income		2,577,896	2,683,584
Total revenue		2,577,896	2,683,584
Expenses			
Finance cost	2.7	103,976	108,409
Other expenses	2.8	2,384,150	2,398,614
Total expenses		2,488,126	2,507,023
Profit before tax		89,770	176,561
Tax expense:			
Current tax		-	-
Profit for the year		89,770	176,561

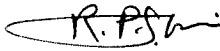
	Note	2018	2017
Earnings per Class A share (par value USD 1 each)	2.10		
Basic		2.41	4.73
Diluted		2.41	4.73

Significant accounting policies and notes to the financial statements 1 & 2


As per our report of even date attached.

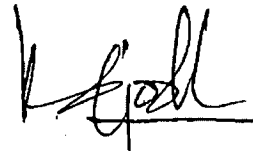
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

For and on behalf of the Board of Directors



R. P. Soal
Partner
Membership No.: 104796


Director


Director

Mumbai
Date: 24 April 2018



EW Special Opportunities Advisors 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	89,770	176,361
Operating cash flow before working capital changes	89,770	176,361
<i>Adjustments for working capital changes</i>		
Decrease/(increase) in short term loans and advances	(846)	6,416
Increase/(decrease) in current liabilities and provisions	45,685	(26,286,918)
Increase in trade receivable	(8,310)	(3,393,514)
Cash generated from / (used in) operations	126,349	(28,697,483)
Income taxes paid	-	-
Net cash generated from / (used in) operating activities - A	126,349	(28,697,483)
B Cash flow from investing activities		
Proceeds from repayment of loans given (refer note below)	-	17,909,883
Net cash generated from investing activities - B	-	17,909,883
C Cash flow from financing activities		
Net cash generated from financing activities - C	-	-
D Change in foreign exchange translation reserve- D	24,151	(162,150)
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	150,500	(10,949,750)
Cash and cash equivalents at the beginning of the year	4,887,048	15,836,800
Cash and cash equivalents at the end of the year (Refer note 2.5)	5,037,548	4,887,048

Note: Net figures have been reported on account of volume of transactions.

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119450W

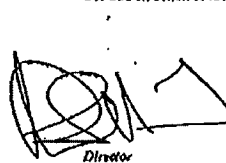


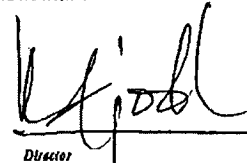
R.P. Soni
Partner
Membership No.: 104796

Mumbai
Date 24 April 2018



For and on behalf of the Board of Directors


Director


Director

EW Special Opportunites Advisors LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

2.1 Share capital

Authorised :

	As at 31 March 2018	As at 31 March 2017
37,313 (Previous year: 37,313) Class A shares of USD 1 each	17,05,980	17,05,980
305,100 (Previous year: 305,100) Class B shares of USD 1 each	1,95,59,070	1,95,59,070
100 (Previous year: 100) Class C shares of USD 1 each	4,477	4,477
	2,12,69,527	2,12,69,527

Issued, subscribed and fully paid up:

	As at 31 March 2018	As at 31 March 2017
37,313 (Previous year: 37,313) Class A shares of USD 1 each	17,05,980	17,05,980
305,100 (Previous year: 305,100) Class B shares of USD 1 each	1,95,59,070	1,95,59,070
100 (Previous year: 100) Class C shares of USD 1 each	4,477	4,477
	2,12,69,527	2,12,69,527

The movement in share capital during the year :

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Class A				
Outstanding at the beginning of the year	37,313	17,05,980	37,313	17,05,980
Issued during the year	-	-	-	-
As at the end of the year	37,313	17,05,980	37,313	17,05,980

Class B

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	3,05,100	1,95,59,070	3,05,100	1,95,59,070
Issued during the year	-	-	-	-
As at the end of the year	3,05,100	1,95,59,070	3,05,100	1,95,59,070

Class C

	As at 31 March 2018		As at 31 March 2017	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	100	4,477	100	4,477
Issued during the year	-	-	-	-
As at the end of the year	100	4,477	100	4,477

Terms /rights attached to class A shares:

Class A shares represent the management and voting rights of the Company. The holders of Class A shares have a right to vote on a poll at a meeting of shareholders on any resolution, except for Class meetings of Class B and Class C shareholders. The Class A shares does not carry any distribution rights.

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

Terms /rights attached to class B and class C shares:

Class B and Class C shares are non voting but have a right to receive notice and to vote on a poll at a meeting of Class B and Class C shareholders only in cases where a vote is taken on matters which will vary and affect the rights of Class B and Class C shareholders. The holders of Class B and Class C shares are entitled to distribution (by way of dividend or otherwise) as per their Class A ownership percentage, unless otherwise mutually agreed between the parties in writing.

In the event of liquidation of the Company, the holders of Class B and Class C shares 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
Class A shares				
EAAA LLC	25,000	67	25,000	67
Omnipus Holdings	12,313	33	12,313	33
Class B shares				
EAAA LLC	3,05,100	100	3,05,100	100
Class C shares				
Omnipus Holdings	100	100	100	100

2.2 Reserves and surplus

Foreign exchange translation reserve	32,54,870	32,30,396
Deficit in statement of profit and loss		
Opening balance	(1,70,38,782)	(1,72,15,344)
Add/(less): profit for the year	89,770	1,76,561
Closing balance	(1,69,49,012)	(1,70,38,782)
	(1,36,94,142)	(1,38,08,387)



EW Special Opportunites Advisors LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

2.3 Non-current investments - at cost	As at 31 March 2018			As at 31 March 2017		
	Quantity	Face value	Amount	Quantity	Face value	Amount
Other non-current investments, unquoted						
Investments in shares of other companies (fully paid up)						
Management shares						
EW Special Opportunities Fund LLC*	999	0.01 USD	645	999	0.01 USD	648
Class B shares						
EW Special Opportunities Fund LLC*	12,038	0.01 USD	7,830	12,038	0.01 USD	7,805
			<u>8,475</u>			<u>8,453</u>
Aggregate of unquoted investment						
- At book value			8,475			8,453

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



EW Special Opportunites Advisors LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

	As at 31 March 2018	As at 31 March 2017
2.4 Trade receivables		
Outstanding for a period exceeding six months		
Unsecured, considered good	-	-
Other debts		
Unsecured, considered good	26,01,764	25,93,544
	<u>26,01,764</u>	<u>25,93,544</u>
2.5 Cash and cash equivalents		
Balances with banks		
- in current accounts	50,37,849	48,87,048
	<u>50,37,849</u>	<u>48,87,048</u>
2.6 Short-term loans and advances		
Other loans and advances		
Prepaid expenses	2,80,584	2,79,698
	<u>2,80,584</u>	<u>2,79,698</u>



EW Special Opportunites Advisors LLC

Notes to the financial statements (continued)

(Currency: Indian rupees)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.7 Finance cost		
Bank charges	1,03,976	1,08,409
	<u>1,03,976</u>	<u>1,08,409</u>
2.8 Other expenses		
Auditors' remuneration (refer note below)	3,11,281	1,11,872
Communication	10,724	8,373
Directors' fees	6,09,028	6,35,824
Legal and professional fees	9,65,680	9,76,825
License fees	3,26,233	2,53,934
Secretarial charges	52,012	54,144
Registered address charges	34,585	36,003
Miscellaneous expenses	74,607	3,21,640
	<u>23,84,150</u>	<u>23,98,614</u>
Note:-		
Auditors' remuneration:		
As auditor	3,11,281	1,11,872
For out of pocket expenses	-	-
	<u>3,11,281</u>	<u>1,11,872</u>



EW Special Opportunities Advisors LLC

Notes to the financial statement (continued)

(Currency: Indian rupees)

2.9 Segment reporting

The business of the Company is to carry out investment advisory activities as permitted under the provisions of Financial Services Act, 2007 of Mauritius and accordingly it operates in one segment only. Hence, no 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.

2.10 Earnings per share

In accordance with Accounting Standard 20 on Earnings per Share as prescribed 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)	89,770	1,76,561
b) Calculation of weighted average number of Class A Shares of USD 1 each:		
– Number of shares at the beginning of the year	37,313	37,313
– Shares issued during the year (number of shares issued)	-	-
Total number of Class A shares outstanding at the end of the year	37,313	37,313
Weighted average number of Class A shares outstanding during the year (based on the date of issue of shares)	37,313	37,313
Nominal value per share in USD	1	1
c) Basic and diluted earnings per share (in rupees) (a/b)	2.41	4.73

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

2.11 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
EAAA LLC	Holding company



EW Special Opportunities Advisors LLC

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

(Currency : Indian rupees)

2.11 Related Parties (continued)
(B) Transactions and balances with related parties:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current account transactions		
Advisory fees income from EAAA LLC	25,77,896	26,83,584
Short term loans and advances (Assets) received EAAA LLC	-	1,81,14,192
Balances with related parties		
Investment		
EW Special Opportunity Fund LLC - Management Shares	645	648
EW Special Opportunity Fund LLC - Class B Shares	7,830	7,805
Short term loans and advances (assets) EAAA LLC	-	1,79,09,883
Trade receivable EAAA LLC	26,01,764	25,93,544

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.



BW Special Opportunities Advisors LLC

Notes to the financial statement (continued)

(Currency: Indian rupees)

2.12 Capital commitments and contingent liabilities

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

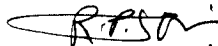
2.13 Disclosure under Schedule III of the Companies Act

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

As per our Report of even date attached.

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

For and on behalf of the Board of Directors



R. P. Soni
Partner

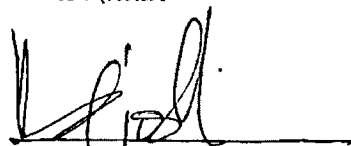
Membership No.: 104796

Mumbai

Date: 24 April 2018



Director



Director

