

**Financial Statement**

**2016-17**

**Quant Capital Private Limited (Consolidated)**

## Independent Auditors' Report

To the Members  
Quant Capital Private Limited

### **I. Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of **Quant Capital Private Limited** (hereinafter referred to as “the Holding Company”), its subsidiaries and its associate (the Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

### **II. Management's Responsibility for the Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **III. Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under.



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 reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### IV. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated Loss and their consolidated cash flows for the year ended on that date

#### V. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of its subsidiary companies, none of the directors are disqualified from being appointed as a director in terms of Section 164(2) of the Act, none of the other directors of the Group's companies, is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
  - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company.

For S K H D & Associates  
Chartered Accountants  
Firm Registration No. 105929W

Hemanshu Solanki  
Partner  
Membership No. 132835

Mumbai, dated 22<sup>nd</sup> April, 2017



Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of **Quant Capital Private Limited** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For S K H D & Associates  
Chartered Accountants  
Firm Registration No. 105929W

Hemanshu Solanki  
Partner  
Membership No. 132835

Mumbai, dated 22<sup>nd</sup> April, 2017

**QUANT CAPITAL PRIVATE LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017**

(Amount in Rs.)

PARTICULARS	Note No.	As At March 31, 2017	As At March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	10 00 19 230	10 00 19 230
(c) Reserves and Surplus	3	217 70 07 110	233 50 54 268
<b>2 Minority Interest</b>		1 00 000	1 00 000
<b>3 Non-current liabilities</b>			
(a) Deferred Tax Liabilities (Net)		( 12 579)	2 47 213
(b) Long term Provisions	4	30 33 911	17 15 215
<b>4 Current liabilities</b>			
(a) Short-Term Borrowings	5	22 69 86 221	154 72 71 586
(b) Trade Payables	6	63 78 89 896	8 06 34 143
(c) Other Current Liabilities	7	18 52 28 021	18 18 44 159
(d) Short-Term Provisions	8	3 02 63 765	1 21 48 007
<b>Total</b>		<b>336 05 15 575</b>	<b>425 90 33 822</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		2 43 59 593	4 27 63 790
(ii) Intangible Assets		38 68 722	55 97 371
(b) Non-current Investments	10	52 92 89 578	50 30 13 000
(c) Other Non-Current Assets	11	23 65 35 105	21 25 14 455
<b>2 Current Assets</b>			
(a) Inventories	12		92 19 446
(b) Trade Receivables	13	66 00 38 045	12 49 48 616
(c) Cash and Cash Equivalents	14	109 17 92 743	89 90 57 836
(d) Short-Term Loans and Advances	15	81 14 71 664	245 55 21 423
(e) Other Current Assets	16	31 60 124	63 97 884
<b>Total</b>		<b>336 05 15 575</b>	<b>425 90 33 822</b>

As per our Attached Report of even date

**For S K H D & Associates**

Chartered Accountants

**Hemanshu Solanki**

Partner

Place: Mumbai

Date : April 22, 2017

**For & On behalf of the Board**

**Sandeep Tandon**

Director

**Amit Bapna**

Director

**Disha Shah**

Company Secretary

**Megha Topiwala**

Chief Financial Officer

Place : Mumbai

Date : April 22, 2017



**QUANT CAPITAL PRIVATE LIMITED**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2017**

(Amount in Rs.)

PARTICULARS		Note No.	Period Ended March 31, 2017	Year Ended March 31, 2016
<b>A</b>	<b><u>INCOMES</u></b>			
	a) Revenue from Operations	17	13 49 91 517	22 43 22 235
	b) Other Income	18	14 22 95 785	21 20 18 044
	<b>Total Incomes</b>		<b>27 72 87 302</b>	<b>43 63 40 279</b>
<b>B</b>	<b><u>EXPENDITURES</u></b>			
	a) Operating Expenses	19	3 09 87 329	3 36 98 326
	b) Employee Benefit Expense	20	21 51 85 697	19 18 98 609
	c) Finance Costs	21	3 00 54 951	7 73 28 277
	d) Depreciation and Amortization Expense	9	2 18 26 133	2 29 72 143
	e) Other Expenses	22	13 30 52 332	12 80 88 478
	<b>Total Expenditures</b>		<b>43 11 06 442</b>	<b>45 39 85 833</b>
<b>C</b>	Profit / (Loss) before exceptional & extraordinary items & tax (A-B)		<b>(15 38 19 140)</b>	<b>(1 76 45 553)</b>
<b>D</b>	Exceptional Items			
	Profit / (Loss) on Sale of Investment		42 02 488	
	Provision for Service Tax of earlier Years			7 93 16 702
<b>E</b>	Profit / (Loss) after exceptional items and before Tax (C-D)		<b>(14 96 16 652)</b>	<b>(9 69 62 255)</b>
<b>F</b>	Profit / (Loss) before Tax		<b>(14 96 16 652)</b>	<b>(9 69 62 255)</b>
<b>G</b>	Tax expense:			
	- Current Tax		6 62 000	27 07 000
	- Deferred Tax		( 83 565)	87 123
	- Taxation Earlier Years		26 77 363	4 86 964
<b>H</b>	Net share of Profit/(Loss) in Associates		( 4 93 687)	
<b>I</b>	Profit / (Loss) for the year		<b>(15 33 66 137)</b>	<b>(10 02 43 342)</b>
<b>J</b>	Earnings Per Share			
	----- Basic & Diluted	23	(15.33)	(10.02)
	Significant Accounting Policies & notes to accounts	1		

As per our Report of even date

**For S K H D & Associates**

Chartered Accountants

**Hemanshu Solanki**

Partner

Place: Mumbai

Date : April 22, 2017

**For & On behalf of the Board**

**Sandeep Tandon**

Director

**Amit Bapna**

Director

**Dr. N. M. Shah**

Company Secretary

**Megha Topiwala**

Chief Financial Officer



**QUANT CAPITAL PRIVATE LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT AS AT MARCH 31, 2017**

PARTICULARS	As At March 31, 2017 Rs.	As At March 31, 2016 Rs.
<b>A Cash flow from operating activities</b>		
Profit Before Tax	(14 96 16 652)	(9 69 62 255)
Adjustments for:		
Depreciation / Amortisation	2 18 26 133	2 29 72 143
Provision for CSR	9 43 355	
Interest income	(13 61 41 733)	(20 90 60 378)
Interest expense	2 90 66 555	7 57 23 077
<b>Operating Profit / (Loss) before working capital changes</b>	<b>(23 39 22 342)</b>	<b>(20 73 27 413)</b>
Adjustments for :		
(Increase) / decrease in Inventories	92 19 446	36 08 30 391
(Increase) / decrease in Trade Receivables	(53 50 89 429)	7 92 64 882
Increase / (decrease) in Provisions	1 87 88 862	( 27 39 371)
(Increase) / decrease in Other Current Assets	32 37 760	1 54 62 541
Increase / (decrease) in Trade payables and Other Liabilities	56 06 39 615	(84 02 73 766)
<b>Cash generated from operations before Extra Ordinary Items</b>	<b>(17 71 26 088)</b>	<b>(59 47 82 736)</b>
<b>Cash generated from operations</b>	<b>(17 71 26 088)</b>	<b>(59 47 82 736)</b>
Taxes paid	( 73 85 530)	( 26 63 819)
<b>Net cash from operating activities (A)</b>	<b>(18 45 11 618)</b>	<b>(59 74 46 555)</b>
<b>B Cash flow from investing activities</b>		
Purchase of Fixed Assets	( 31 80 417)	(3 40 08 370)
Sale of Fixed Assets	19 97 000	5 17 000
Advances for Capital Work in Progress		79 10 675
(Increase) / decrease in Other Non Current Assets	(2 40 20 650)	( 65 07 271)
(Increase) / decrease in Other Bank Balances	9 43 48 213	7 75 39 321
Interest received	13 61 41 733	20 90 60 378
<b>Net cash used in investing activities (B)</b>	<b>17 90 09 301</b>	<b>25 45 11 732</b>
<b>C Cash flow from financing activities</b>		
Preference Dividend Paid (including DDT)	( 20 702)	( 31 140)
Movements in Loans and Advances	164 19 58 056	24 52 18 644
Increase / (decrease) in Short Term Borrowings	(132 02 85 365)	(37 18 19 166)
Interest expense	(2 90 66 555)	(7 57 23 077)
<b>Net cash generated / (Used) in financing activities (C)</b>	<b>29 25 85 434</b>	<b>(20 23 54 740)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>28 70 83 117</b>	<b>(54 52 89 563)</b>
<b>Cash and cash equivalents at the beginning of the Year</b>	<b>11 60 59 627</b>	<b>66 13 49 191</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>40 31 42 744</b>	<b>11 60 59 628</b>

As per our Report of even date

**For S K H D & Associates**

Chartered Accountants

**Hemanshu Solanki**

Partner

Place: Mumbai

Date : April 22, 2017

**For & On behalf of the Board**

**Sandeep Tandon**

Director

**Amit Bapna**

Director

**Disha Shah**

Company Secretary

**Megha Topiwala**

Chief Financial Officer

Place : Mumbai

Date : April 22, 2017

## Quant Capital Private Limited

### Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2016

#### 1 Significant Accounting Policies

##### 1.01 Basis of preparation of Financial Statements

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 (the Act) and comply in material aspects with the accounting standards notified under Section 211 (3C) of the Act, read with Companies (Accounting Standards) Rules, 2006.

##### 1.02 Principles of Consolidation

- a. The Consolidated financial statements relate to Quant Capital Private Limited (the "Company"), its subsidiary companies (the "Group") and an associate company. The consolidated financial statements have been prepared on the following basis:
  - i In respect of Subsidiary Companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits / losses on intra-group transactions as per Accounting Standard (AS - 21) "Consolidated Financial Statements".
  - ii The excess of cost to the Company of its investment in the Subsidiary Company is recognised in the financial statements as Goodwill, which is tested for impairment on every Balance Sheet date. The excess of Company's share of equity and reserves of the Subsidiary Company over the cost of acquisition is treated as Capital Reserve. Amortisation of goodwill is confined to amalgamation goodwill in accordance with the applicable Accounting Standards.
  - iii The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- b. The Subsidiary Companies considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% Voting power held as at March 31, 2017
Quant Broking Private Limited	India	100%
Quant Securities Private Limited	India	100%
Quant Investments Services Private Limited	India	100%

- c. The Associate Companies considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% Voting power held as at March 31, 2017
Quant Commodity Broking Private Limited	India	45%

##### 1.03 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

##### 1.04 Revenue Recognition

###### a Income from Trading in Securities and Derivatives

The initial margin and the additional margin paid for entering into contracts for equity futures and options are disclosed under the head Loans and Advances in the Balance Sheet.



## Quant Capital Private Limited

### Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2016

#### Significant Accounting Policies

.....Contd

Income from trading in securities and derivatives comprises of profit/loss on hedged positions in Equity and Derivative instruments. All the hedged positions in Equity and Equity / Index - Futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage, Securities Transaction Tax (STT) and other payments made in connection with the acquisition of securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and STT.

- b. Fee for Advisory Services is accounted in accordance with the terms and contracts entered into with the Clients.
- c. Derivative Incentives Income is accounted on Accrual basis.
- d. Dividend income is recognised when the right to receive payment is established.

#### 1.05 Fixed Assets and Depreciation

- a The gross block of fixed assets is stated at cost of acquisition including any cost attributable to bringing the assets to their working condition for their intended use.
- b Depreciation is charged on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 2013.
- c Leasehold Improvements are amortised on a straight line basis over the estimated useful life of the asset or the period of lease, whichever is shorter.

#### 1.06 Stock-in-trade

- a The securities are acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and disclosed as current assets.
- b The securities held as stock-in-trade under current assets, being Hedged positions, are valued at market price.

#### 1.07 Foreign Currency Transactions

- a Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Gains and losses, if any, as at the year-end in respect of monetary assets and liabilities are recognised in the Statement of profit and loss.
- b Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

#### 1.08 Retirement Benefits

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

## Quant Capital Private Limited

### Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2016

#### Significant Accounting Policies

.....Contd

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service that give rise to an 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 discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the balance sheet date.

#### 1.09 Investments

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

Long term investments are valued at cost. Provision for diminution in value of long term investments is made if in the opinion of management such a decline is other than temporary.

Current investments are valued at cost or market/fair value, whichever is lower.

#### 1.10 Accounting for Taxes on Income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax arising on "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

#### 1.11 Provisions and Contingencies

Provisions are recognised 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.

#### 1.12 Operating Leases

Lease payments for assets taken on operating lease are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.



**QUANT CAPITAL PRIVATE LIMITED**

Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017

**2 Share Capital**Authorised

1,20,00,000 (120,00,000) Equity Shares of Rs. 10 each

1 00 00 000 (1 00 00 000) Preference Shares of Rs. 10 each

Issued, Subscribed and Paid up

1,00,01,923 (1,00,01,923) Equity Shares of Rs. 10 each Fully Paid up

As At 31-Mar-17 Rs.	As At 31-Mar-16 Rs.
12 00 00 000	12 00 00 000
10 00 00 000	10 00 00 000
<b>22 00 00 000</b>	<b>22 00 00 000</b>
10 00 19 230	10 00 19 230
<b>10 00 19 230</b>	<b>10 00 19 230</b>

Reconciliation of no of equity shares outstanding

Particulars	As at March 31, 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1 00 01 923	10 00 19 230	1 00 01 923	10 00 19 230
Shares Issued during the year				
Shares bought back during the year				
Shares outstanding at the end of the year	<b>1 00 01 923</b>	<b>10 00 19 230</b>	<b>1 00 01 923</b>	<b>10 00 19 230</b>

The details of shareholders holding more than 5 %

Name of the shareholder	As at March 31, 2017		As at 31st March 2016	
	Number	% held	Number	% held
Reliance Capital Ltd	74 01 423	74.00%	74 01 423	74.00%
Sandeep Tandon	12 74 000	12.74%	12 74 000	12.74%
Adil Patrawala	13 26 500	13.26%	13 26 500	13.26%

QUANT CAPITAL PRIVATE LIMITED			
Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017		As At 31-Mar-17 Rs.	As At 31-Mar-16 Rs.
<b>3 Reserves and Surplus</b>			
<b><u>Securities Premium</u></b>			
Opening Balance		187 43 69 980	187 43 69 980
<b>Closing Balance</b>	<b>A</b>	<b>187 43 69 980</b>	<b>187 43 69 980</b>
<b><u>General Reserve</u></b>			
Opening balance		23 98 91 731	23 98 91 731
Add: Adjustment on sale of Share of Company		20 36 426	-
<b>Closing Balance</b>	<b>B</b>	<b>24 19 28 157</b>	<b>23 98 91 731</b>
<b><u>Capital Redemption Reserve</u></b>			
Opening balance		5 00 00 000	5 00 00 000
<b>Closing Balance</b>	<b>C</b>	<b>5 00 00 000</b>	<b>5 00 00 000</b>
<b><u>Statutory Reserve</u></b>			
Opening balance		39 51 041	39 35 615
Add: amount transferred during the current year			15 426
Less: Adjustment on sale of Share of Company		( 39 51 041)	
<b>Closing Balance</b>	<b>D</b>		<b>39 51 041</b>
<b><u>Surplus</u></b>			
Opening balance		16 68 41 516	26 71 20 986
Add: Net Profit/(Net Loss) For the current year		(15 33 66 137)	(10 02 43 342)
Less: Associate Adjustment		( 27 66 406)	
Less: Proposed Dividend on Preference shares (Including DDT)			( 20 702)
Less: Transfer to Statutory Reserve			( 15 426)
<b>Closing Balance</b>	<b>E</b>	<b>1 07 08 973</b>	<b>16 68 41 516</b>
<b>Total (A+B+C+D+E)</b>		<b>217 70 07 110</b>	<b>233 50 54 268</b>



QUANT CAPITAL PRIVATE LIMITED			
Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017		As At 31-Mar-17 Rs.	As At 31-Mar-16 Rs.
<b>4 Long Term Provisions</b>			
<u>Provision for Employee Benefits:</u>			
Provision for Gratuity		30 33 911	8 70 664
Provision for Leave Encashment			8 44 551
		<b>30 33 911</b>	<b>17 15 215</b>
<b>5 Short Term Borrowings</b>			
<u>Secured</u>			
Overdraft from Banks		11 16 84 221	29 92 39 510
(Secured against Fixed Deposits Receipts)			
<u>Unsecured</u>			
Loans and advances from related parties		11 53 02 000	124 80 32 076
		<b>22 69 86 221</b>	<b>154 72 71 586</b>
<b>6 Trade payables</b>			
Micro, Small and Medium Enterprises			
Trade payables under Same management		9 27 83 842	78 29 386
To others		54 51 06 055	7 28 04 758
		<b>63 78 89 896</b>	<b>8 06 34 144</b>
<b>7 Other Current liabilities</b>			
Employee Cost Payable		4 15 58 114	1 56 24 894
Statutory Dues Payable		13 53 36 183	13 61 97 651
Trading Margins from Clients			2 73 11 117
Other liabilities		83 33 724	27 10 498
		<b>18 52 28 021</b>	<b>18 18 44 159</b>
<b>8 Short Term Provisions</b>			
<u>Provision for Employee Benefits:</u>			
Provision for Gratuity		31 14 574	66 56 910
Provision for Leave Encashment			25 178
<u>Other Provisions:</u>			
Contingent Provision against Standard Assets			7 00 000
Proposed Dividend on Preference Shares			17 200
Provision for Dividend Distribution Tax			3 502
Provisions Others		2 71 49 191	47 45 217
		<b>3 02 63 765</b>	<b>1 21 48 007</b>

### Note 9: Fixed Assets and Depreciation

Sr.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01-Apr-2015	Additions	Deletions	As at March 31, 2017	As at 01-Apr-2015	For the year	Adjustment	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
	<b>Intangible Assets:</b>										
1	Computer software	5 51 32 823	7 07 898	3 05 05 884	<b>2 53 34 838</b>	4 95 35 453	23 64 436	3 04 33 777	<b>2 14 66 111</b>	<b>38 68 726</b>	55 97 371
	<b>Total (A)</b>	<b>5 51 32 823</b>	<b>7 07 898</b>	<b>3 05 05 884</b>	<b>2 53 34 838</b>	<b>4 95 35 453</b>	<b>23 64 436</b>	<b>3 04 33 777</b>	<b>2 14 66 111</b>	<b>38 68 726</b>	<b>55 97 371</b>
	<b>Tangible Assets:</b>										
1	Computer Hardware	10 37 90 811	24 72 519	1 51 00 264	<b>9 11 63 066</b>	7 84 51 646	1 34 02 277	1 50 98 217	<b>7 67 55 706</b>	<b>1 44 07 360</b>	2 53 39 165
2	Telecom Assets	1 31 41 955		26 850	<b>1 31 15 105</b>	76 63 695	21 61 077	26 850	<b>97 97 922</b>	<b>33 17 183</b>	54 78 260
3	Air Conditioners	25 50 133		5 488	<b>25 44 645</b>	10 32 611	1 97 276	5 488	<b>12 24 399</b>	<b>13 20 246</b>	15 17 522
4	Office Equipments	1 72 28 985		17 03 205	<b>1 55 25 780</b>	1 63 77 281	2 79 814	17 03 205	<b>1 49 53 890</b>	<b>5 71 890</b>	8 51 704
5	Furniture and Fixture	2 47 82 131		19 37 029	<b>2 28 45 102</b>	1 53 66 212	34 06 458	8 81 122	<b>1 78 91 548</b>	<b>49 53 554</b>	94 15 918
6	Vehicles	45 28 187			<b>45 28 187</b>	43 66 966	1 61 221		<b>45 28 187</b>		1 61 221
7	Leasehold Improvements	1 13 14 333		1 13 14 333		1 13 14 333		1 13 14 333			
	<b>Total (B)</b>	<b>17 73 36 534</b>	<b>24 72 519</b>	<b>3 00 87 169</b>	<b>14 97 21 884</b>	<b>13 45 72 744</b>	<b>1 96 08 123</b>	<b>2 90 29 215</b>	<b>12 51 51 652</b>	<b>2 45 70 232</b>	<b>4 27 63 790</b>
	<b>Total (A+B)</b>	<b>23 24 69 358</b>	<b>31 80 417</b>	<b>6 05 93 053</b>	<b>17 50 56 722</b>	<b>18 41 08 197</b>	<b>2 19 72 559</b>	<b>5 94 62 993</b>	<b>14 66 17 763</b>	<b>2 84 38 959</b>	<b>4 83 61 161</b>
	<b>Previous Year</b>	19 89 77 987	3 40 08 370	5 17 000	23 24 69 357	16 11 36 054	2 29 72 143		18 41 08 197	4 83 61 161	3 78 41 933



QUANT CAPITAL PRIVATE LIMITED			
Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017		As At 31-Mar-17 Rs.	As At 31-Mar-16 Rs.
<b>10 Non-Current Investments</b>			
<u>At Cost, Unquoted, Non Trade</u>			
<u>Equity Shares of Rs. 10 each fully paid up</u>			
1300 (1300) Equity Shares of Sify Infocomm Pvt. Ltd. of Rs.10 each		13 000	13 000
1 35 000 (1 35 000) Quant Commodity Broking Private Limited		1 20 76 578	
<u>Preference Shares in Other Bodies Corporate</u>			
Quant Capital Holdings Pvt Ltd		50 00 00 000	50 00 00 000
Quant Capital Finance and Investments Pvt Ltd		1 72 00 000	
<u>Share Application Money in Other Bodies Corporate</u>			
Quant Transactional Services Private Limited		30 00 000	30 00 000
Less : Provision for Doubtful Advances		( 30 00 000)	
<b>Total</b>		<b>52 92 89 578</b>	<b>50 30 13 000</b>
Aggregate value of Investments			
- At Book Value		52 92 89 578	50 30 13 000
- At NAV			
*Aggregate amount of unquoted investments (Previous Year Rs. 503013000/-)			
<b>11 Other Non-current Assets</b>			
<u>Deposits</u>			
Deposits with Exchanges		18 24 24 033	13 44 24 033
Deposits - Others		5 41 11 072	7 80 90 422
		<b>23 65 35 105</b>	<b>21 25 14 455</b>
<b>12 Inventories</b>			
Equity Shares (Quoted)			92 19 446
			<b>92 19 446</b>
<b>13 Trade Receivables</b>			
(Unsecured, Considered Good)			
Outstanding for a period exceeding six months		7 86 491	2 16 142
Other		65 92 51 555	12 47 32 474
		<b>66 00 38 045</b>	<b>12 49 48 616</b>

QUANT CAPITAL PRIVATE LIMITED			
Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017		As At 31-Mar-17 Rs.	As At 31-Mar-16 Rs.
<b>14 Cash and Cash Equivalents</b>			
<u>Cash and Cash Equivalents</u>			
Balance with Banks in Current Accounts		40 31 30 499	11 54 34 147
Cash on hand		12 244	6 25 480
<u>Other Bank Balances:</u>			
In Deposit Accounts		68 86 50 000	78 29 98 213
		<b>109 17 92 743</b>	<b>89 90 57 840</b>
<b>15 Short Term Loans and Advances</b>			
(Unsecured. Considered good)			
<u>Loans and Advances to Related Parties</u>			
Dues from Companies under the same Management		64 32 71 901	218 92 84 122
<u>Others</u>			
Loan against Shares			3 19 63 276
Advances with Service Tax Authorities		38 64 250	1 00 29 193
Advance Payment of Taxes		11 55 78 679	11 76 70 383
Contribution - Gratuity Trust		46 64 692	1 22 95 301
Advances recoverable in Cash or in Kind or for Value to be received		3 44 46 664	6 42 79 149
Loan against Property			3 00 00 000
Other Advances		6 57 47 325	
Less : Provision for Doubtful Advances		(5 61 01 847)	
		<b>81 14 71 664</b>	<b>245 55 21 423</b>
<b>16 Other Current Assets</b>			
Accrued interest on Fixed Deposits		31 60 124	59 62 685
Options Premium Receivable			4 35 199
		<b>31 60 124</b>	<b>63 97 884</b>



**QUANT CAPITAL PRIVATE LIMITED**

Notes annexed to and forming part of Consolidated Financial Statements for the Period ended  
March 31, 2017

<b>PARTICULARS</b>	<b>Period Ended 31-Mar-17 Rs.</b>	<b>Year Ended 31-Mar-16 Rs.</b>
<b>17 Revenue from Operations</b>		
Commission and Brokerage	5 39 02 737	5 78 48 419
Advisory Fees	25 44 185	1 75 16 227
Profit / (Loss) on trading in securities (Net)	( 25 87 685)	21 84 961
Profit / (Loss) on Equity Derivative Instruments (Net)	7 73 66 490	12 05 70 377
Interest on Funding Products		2 56 68 346
Profit / (Loss) on Currency Derivative Instruments	( 2 49 891)	( 13 26 987)
Income From Depository Services	3 02 712	1 97 278
Dividend Income	33 60 973	8 51 079
Income from Mutual Funds	3 51 997	4 90 137
Interest Income on Fixed Deposits		3 22 397
	<b>13 49 91 517</b>	<b>22 43 22 235</b>
<b>18 Other Income</b>		
Interest Income	8 93 55 962	12 98 28 489
Interest on Fixed Deposits	4 67 85 771	7 92 31 889
Miscellaneous Income	52 87 112	29 57 666
Profit/(Loss) on sale of Fixed Assets	8 66 940	
	<b>14 22 95 785</b>	<b>21 20 18 044</b>
<b>19 Operating Expenses</b>		
Stock Exchange Expenses	1 46 49 386	86 91 558
Membership Fees		1 964
Interest on Bank Overdraft		1 031
Data Procurement and Service Charges	98 91 390	1 28 08 610
Leased Line Expenses	62 52 169	1 17 08 393
Clearing Charges	28	
Depository Expenses	1 94 356	4 86 769
	<b>3 09 87 329</b>	<b>3 36 98 326</b>
<b>20 Employee Benefit Expenses</b>		
Salaries and Wages	20 73 57 312	18 60 33 645
Contribution to Provident and Other Funds	46 22 187	61 78 083
Leave Encashment	( 6 95 882)	( 11 54 357)
Gratuity	27 28 641	( 1 49 199)
Staff Welfare Expenses	11 73 438	9 90 437
	<b>21 51 85 697</b>	<b>19 18 98 609</b>

**QUANT CAPITAL PRIVATE LIMITED**

Notes annexed to and forming part of Consolidated Financial Statements for the Period ended  
March 31, 2017

<b>PARTICULARS</b>	<b>Year Ended 31-Mar-17 Rs.</b>	<b>Year Ended 31-Mar-16 Rs.</b>
<b>21 Finance Cost</b>		
Interest on Bank Overdraft	97 04 258	3 46 20 269
Bank Guarantee Charges	64 78 705	1 01 05 963
Interest on Unsecured Loans	1 28 83 592	3 09 96 846
Processing Fee	9 88 397	16 03 362
Exchange (Gains) / Losses		1 838
	<b>3 00 54 951</b>	<b>7 73 28 277</b>
<b>22 Other Expenses</b>		
Rent	2 86 78 060	3 86 70 700
Rates and Taxes	79 76 506	1 04 93 912
Prov for Doubtful Debts	3 27 18 936	
Insurance	16 92 287	17 21 274
<u>Repairs and Maintenance</u>		
- Office	10 42 829	13 21 422
- Computers	47 17 241	94 97 980
- Others	8 20 532	10 61 683
Electricity	59 36 815	1 00 45 835
Business Promotion Expenses	79 53 161	1 16 14 321
Legal and Professional Fees	2 86 32 549	2 47 03 331
<u>Auditor's Remuneration</u>		
- Audit Fees	4 82 320	5 86 000
- Tax Audit Fees	70 350	1 20 000
- Expenses Reimbursed		10 697
Directors Fees	1 80 000	1 40 000
Outsourced Expenses	58 74 443	70 82 863
Miscellaneous Expenses	5 81 451	11 76 826
Bank Charges	1 18 099	1 33 942
Subscription Charges	9 10 657	27 48 552
Travelling Expenses	3 37 645	3 09 342
Printing and Stationery	15 54 769	49 69 207
Postage, Telephone and Fax	8 78 327	10 65 589
Provision for CSR	9 43 355	
Donation	9 52 000	6 15 000
	<b>13 30 52 332</b>	<b>12 80 88 478</b>



**QUANT CAPITAL PRIVATE LIMITED**
**Notes annexed to and forming part of Consolidated Financial Statements as at March 31, 2017**
**23 Earnings Per Share**

Particulars	Year Ended March 31, 2017	Year ended March 31, 2016
(i) Earnings available for Equity shareholders	(15 33 66 137)	(10 02 43 342)
(ii) Weighted Average number of Equity Shares	1 00 01 923	1 00 01 923
(iii) Earnings per share	(15.33)	(10.02)
(iv) Face value per share (in Rs.)	10	10

**24 Related Party Disclosure**

As per the Accounting Standard - 18 issued by the Companies (Accounting Standards) Rules, 2006, the company's related parties and transactions are disclosed below:

**A Related Parties**

- 1 Holding Company : Reliance Capital Limited
- 2 Key managerial Persons : Mr. Sandeep Tandon - CEO and Managing Director

Mr. Amit Bapna - Director  
 Ms. Megha Topiwala - Chief Financial Officer  
 Ms. Carishma Patney - Company Secretary  
 (Resigned on 22.10.2016)  
 Ms. Drishti Shah - Company Secretary  
 (Appointed on 22.10.2016)

**3 Subsidiary Companies**

: Quant Broking Private Limited  
 Quant Securities Private Limited  
 Quant Investments Services Private Limited  
 Quant Commodity Broking Private Limited

**4 Associate Company**
**5 Enterprises over which the persons described in 2 above have control**

: Qoppa Trading Private Limited  
 Etre Vous Lingrie Boutique Private Limited  
 Alpha Investment Advisory Private Limited  
 Quant Capital Holdings Private Limited  
 Quant Capital Finance & Investments Private Limited  
 Quant Employee Welfare Foundation Private Limited  
 Qcap Securities Private Limited  
 Quant Capital Securities Private Limited  
 Quant Commodities Private Limited

Amount in Rs

Particulars	Holding Company	Fellow Subsidiaries	Companies Under the same Management
<b>Interest Received/(Paid) on Loans given</b>			
Quant Capital Holdings Private Limited			<b>2 48 60 400</b>
			2 79 59 321
Quant Capital Securities Private Limited			<b>2 56 20 513</b>
			1 21 77 442
Qcap Securities Private Limited			<b>10 19 543</b>
			1 08 75 875
Quant Capital Advisors Private Limited			<b>59 98 480</b>
			87 29 962
Alpha Investment Advisory Private Limited			<b>8 280</b>
			( 2 39 967)
Quant Employee Welfare Foundation Private Limited			<b>NIL</b>
			15 153
Quant Commodities Private Limited			<b>1 30 08 969</b>
			24 48 235
Quant Capital Finance and Investments Private Limited			<b>( 51 18 028)</b>
			NIL
Etre Vous Lingrie Boutique Private Limited			<b>NIL</b>
			6 456
Qoppa Trading Private Limited			<b>1 11 08 457</b>
			5 78 07 578

			Amount in Rs
Particulars	Holding Company	Fellow Subsidiaries	Companies Under the same Management
<b>DP Charges:</b>			
Qcap Securities Private Limited			2 353
			1 502
Etre Vous Lingerie Boutique Private Limited			1 318
			NIL
Qoppa Trading Private Limited			3 100
			1 427
Quant Capital Advisors Private Limited			1 893
			859
Quant Commodity Broking Private Limited			2 636
			NIL
Quant Capital Finance and Investments Private Limited			2 676
			NIL
Quant Capital Holdings Private Limited			9 408
			9 392
Quant Capital Securities Private Limited			14 083
			16 322
Quant Commodities Private Limited			1 318
			1 697
<b>Equity and Derivative Trading costs paid by:</b>			
Quant Capital Advisors Private Limited			1 60 505
			31 322
Qoppa Trading Private Limited			3 42 803
			1 37 23 112
Quant Capital Holdings Private Limited			28 97 350
			44 35 640
Quant Capital Finance and Investments Private Limited			253
			NIL
Quant Capital Securities Private Limited			41 30 294
			1 47 63 738
Qcap Securities Private Limited			86 718
			9 72 237
Quant Commodities Private Limited			5 154
			11 250
<b>Dividend Income</b>			
Quant Capital Holdings Private Limited			50 000
			NIL
<b>Expenses Incurred on behalf of :</b>			
Qcap Securities Private Limited			35 013
			81 333
Quant Capital Advisors Private Limited			19 284
			12 183
Quant Capital Securities Private Limited			20 179
			55 614
Qoppa Trading Private Limited			38 773
			1 227
Quant Capital Holdings Private Limited			71 255
			49 855
Alpha Investment Advisory Private Limited			15 883
			1 841



			Amount in Rs
Particulars	Holding Company	Fellow Subsidiaries	Companies Under the same Management
Etre Vous Lingerie Boutique Private Limited			16 599
			12 855
Quant Employee Welfare Foundation Private Limited			6 751
			NIL
Quant Commodities Private Limited			66 824
			9 27 710
<b>Trading Margins Received from</b>			
Quant Capital Holdings Private Limited			NIL
			1 96 06 500
Quant Capital Securities Private Limited			NIL
			90 00 000
<b>Loans Taken</b>			
Quant Commodities Private Limited			302 85 45 723
			539 90 11 293
Etre Vous Lingerie Boutique Private Limited			1 46 00 000
			20 17 349
Alpha Investment Advisory Private Limited			36 26 710
			2 24 39 967
Quant Employee Welfare Foundation Private Limited			NIL
			5 03 791
<b>Loans Repaid</b>			
Quant Commodities Private Limited			254 21 76 248
			533 44 97 463
Etre Vous Lingerie Boutique Private Limited			1 46 00 000
			29 07 985
Quant Capital Advisors Private Limited			NIL
			1 80 08 877
Alpha Investment Advisory Private Limited			36 26 710
			2 24 39 967
Quant Capital Finance and Investments Private Limited			130 98 62 024
			NIL
Quant Employee Welfare Foundation Private Limited			NIL
			4 98 791
<b>Loans Given</b>			
Quant Capital Holdings Private Limited			335 04 33 642
			410 96 68 730
Qoppa Trading Private Limited			108 92 52 683
			70 16 50 438
Quant Capital Advisors Private Limited			16 51 71 502
			60 18 10 779
Qcap Securities Private Limited			24 18 09 890
			72 86 42 020
Quant Commodity Broking Private Limited			15 12 66 151
			NIL
Quant Capital Securities Private Limited			122 16 84 135
			271 65 29 645
<b>Loans Repaid by</b>			
Quant Capital Holdings Private Limited			361 75 86 110
			338 93 62 372
Qoppa Trading Private Limited			145 87 34 845
			96 74 22 073
Quant Capital Advisors Private Limited			31 68 05 887
			44 80 25 859

			Amount in Rs
Particulars	Holding Company	Fellow Subsidiaries	Companies Under the same Management
Quant Commodity Broking Private Limited			16 20 58 000
			NIL
Qcap Securities Private Limited			24 18 09 890
			80 18 49 184
Quant Capital Securities Private Limited			140 25 12 474
			263 21 09 571
Quant Commodities Private Limited			NIL
			5 66 49 426
Etre Vous Lingerie Boutique Private Limited			NIL
			12 43 489
<b>Closing Balances</b>			
Quant Capital Holdings Private Limited			14 99 45 520
			41 70 97 987
Quant Capital Securities Private Limited			7 88 02 324
			25 96 30 664
Quant Capital Advisors Private Limited			NIL
			15 16 34 385
Quant Commodities Private Limited			41 44 90 521
			(7 18 78 954)
Qoppa Trading Private Limited			(11 53 02 000)
			25 41 80 162

Note: Related party relationships are identified by the Company and relied upon by the auditors.

## 25 Contingent Liabilities

### 25.1 Claims against Company not acknowledged as debts

- a Taxation matters in respect of which appeal is pending before the Commissioner of Income Tax (Appeals), Mumbai Rs. NIL (Previous year: Rs. 42,18,140) for FY 2009-10 and Rs. 68,53,000 (Previous year : NIL) for FY 2013-14 in case of Quant Broking Private Limited (Subsidiary Company).
- b Service Tax matters in respect of which appeal is pending before the Commissioner of Service Tax (Appeals), Mumbai Rs. NIL (Previous year: 61 800).
- c Income Tax matters in respect of which appeal is pending before the Commissioner of Income Tax (Appeals), Mumbai Rs. 38,48,710 (Previous year: Rs. NIL).
- d Income Tax matters in respect of one of the subsidiary which appeal is pending before the Commissioner of Income Tax (Appeals), Mumbai Rs. 36 74 780 (Previous year: 36 74 780) for AY 2013-14 and Rs. 1,86,21,040 (Previous year : NIL) for AY 2014-15 in case of Quant Securities Private Limited (Subsidiary Company)

### 25.2 Guarantees

- a. The Company has issued Corporate Guarantee to banks for obtaining Settlement Guarantee in favour of National Stock Exchange Limited and the BSE Limited for its Subsidiary Quant Broking Private Limited aggregating to Rs. 79,83,00,000 (Previous Year: Rs. 7,33,00,000).

### 25.3 Stamp duty

Company's Subsidiary and Associate Companies has collected stamp duty on account of its statutory obligation towards transactions entered on various segments in the state of Tamilnadu. The Company has not deposited the same since in its opinion the same is not payable which is disputed by the state. The matter is pending with The Honorable High Court, Tamilnadu. In the interim the amount so collected is reflected under Statutory Liability. The amount outstandings is to the tune of Rs. 12,91,51,028 (Previous Year - 12,49,28,817).

- 26 The Company is engaged in single segment i.e. Capital market and there are no other separate reportable segments as defined in AS - 17.



- 27 In view of the nature of the business of the Company, the information required under Para 3, 4C and 4D of part II of schedule VI to the Companies Act, 2013 has been given to the extent applicable to the Company.
- 28 In the opinion of the management, the Current Assets, Loans and Advances and Current Liabilities are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of amounts considered reasonably necessary.
- 29 Balances appearing in certain accounts under the heads, Trade Receivables, Other Current Liabilities and Trade Payables are subject to confirmation and reconciliation. Consequential adjustment thereof, arising if any, will be made in the year, the confirmations and reconciliation are received.
- 30 Quant Transactional Services Private Limited (Plaintiffs) has filed a Suit in Honorable High Court against the Company U/s 6 of Specific Relief Act, 1963 and has claimed that the Company and its subsidiaries has forcefully dispossessed the Plaintiffs from the Goregaon Premises and taken over the possession of the Fixed Assets. The interim relief claimed in Notice of Motion was repossession of the premises and inventory of the Fixed Assets. However, The Honorable High Court of Bombay has not granted any Interim Relief and Suit and Notice of Motion is pending hearing and for final disposal.
- 31 Mr. Adil Patrawala has filed a Petition u/s 397 and 398 of Companies Act, 1956 against the Company claiming mismanagement in the affairs of the Company and oppression on the Minority Shareholder. The said Petition is pending hearing for the final disposal. There were certain Ad Interim reliefs claimed which were not granted by Hon'ble Company Law Board except one relief i.e. Mr. Adil Patrawala's holding in Quant Capital Private Limited cannot be diluted.
- 32 The Company has filed Summary Suit against Quant Transactional Services Private Limited for recovery of outstanding dues amounting to Rs. 9,02,97,967/-. The Notice of Motion was filed in the said Suit claiming Ad Interim Relief praying lien over the Assets of Quant Transactional Services Private Limited which High Court has denied. Both Notice of Motion and Suit are pending hearing and final disposal.
- 33 One of the former employee has filed Petition under the Industrial Disputes Act, 1947 for reinstatement of the Services against the company. The Company has filed the Rejoinder for the same as the Company does not fall within the Definition of Industry under the said Act and also the Applicant is not workmen within the Definition. The same is pending hearing.
- 34 The company has recovery of Rs. 3,10,81,914 from Quant Transactional Services Private Limited (QTSPL) - Rs. 30,00,000 as share application money and Rs. 2,80,81,914 as business advances. The company has filed suit against QTSPL for the recovery of the said amount and is confident of recovering the same.  
However, the company has made provision of Rs. 2,40,61,436 (100% of application money amount of Rs. 30 Lakhs and 75% of Rs. 2,80,81,914)  
Further in respect of two subsidiary companies, the companies had provided for Rs. 81,37,500 being 75% of Rs. 1,08,50,000 on account of legal case filed by the respective subsidiary companies against Quant Software Solutions Private Company.
- 35 In case of Quant Commodity Broking Private Limited (QCBPL), being associate, is having the broking license. Earlier, the company was having external clients. However, currently the company is having only 2 clients – Quant Commodities Private Limited and Qcap Securities Private Limited. The company want to revive the business and hence, does not surrender the Commodity Broking License. The management of the company is working on a marketing strategy where they can provide one stop shop solution to the clients with Research, Equity Broking, Commodity Broking and general advisory. This will help the company to add new clients and to revive the business. With the help of this strategy, the company is planning to add new and new clients.
- 36 In case of Quant Securities Private Limited, being subsidiary the management of company has taken the conscious call of surrendering the broking licenses with BSE and NSE. BSE has accepted the request, however, NSE has not accepted the same and surrender request is still pending. The management of the company intends to trade and investment in equity and equity derivatives. However, management is waiting for the acceptance of surrender of license by NSE and does not want to start the trading activity before that. The intention of the management is not to wind up the company and hence, the company is going concern.

- 37 a) In case of one of the Company's Subsidiary Company, as per the provision of the merger scheme of Reliance Equities International Private Limited with the Company vide Bombay High Court order dated 11th June, 2010 and Madras High Court dated 14th June, 2010, excess balance of Net Assets transferred over Purchase Consideration, had been credited to General reserve.
- (b) In the above merger scheme, certain documentation and other compliances are in the process of being regularized as at the close of the year. Following are brief details:
- Security Deposit paid towards lease of Indiabulls premise Rs. 2.29 Crores for occupation of RCAP shown under the head Deposits.
  - Details of amount as Contribution to Corpus of Gratuity Fund- Rs.43.89 Lacs.
  - Recoverable balances pending open for more than two years aggregating to Rs 9.53 Lacs for which no information is available
- 38 The company has sold its investment in the Equity Shares (3,81,000) of Quant Capital Finance and Investments Private Limited to Quant Capital Holdings Private Limited for Rs. 20,28,91,463. The company has made profit of Rs. 1,73,31,713/-. The transaction is done at the then book value of Quant Capital Finance and Investments Private Limited.
- 39 In case of one of the Company's Subsidiary Company, inventory as at the close of the period is carried as taken, valued and certified by the management.
- 40 In case of one of the Company's Subsidiary Company, no provision has been considered necessary towards diminution / erosion, in the book value of investments, since the same are considered to be of long term in nature.
- 41 There are no companies which fall under the categories defined under Micro, Small and Medium Enterprises Development Act, 2006.
- 42 Previous year figures have been regrouped, rearranged, reworked and reclassified wherever necessary. Figures in bracket indicate previous year's figures.

**For and on behalf of the Board**

**Sandeep Tandon**  
Director

**Amit Bapna**  
Director

**Drishya Shah**  
Company Secretary

**Megha Topiwala**  
Chief Financial Officer

Place: Mumbai  
Date : April 22, 2017



**QUANT CAPITAL PRIVATE LIMITED**

Sr.	NAME OF THE ENTITY	Net Assets i.e. total Assets minus Total Liabilities		Share in Profit or Loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
	<b>Parent</b>				
	Quant Capital Private Limited	96%	218 16 92 187	-3%	43 45 514
	<b>Subsidiaries</b>				
(1)	Quant Broking Private Limited	63%	144 12 10 972	77%	(11 88 38 975)
(2)	Quant Securities Private Limited	0%	47 33 908	5%	( 81 63 975)
(3)	Quant Investment Services Private Limited	2%	4 45 12 697	7%	(1 03 49 195)

Note : Percentage and Amount of Net Assets share in profit or loss figures are without elimination (in case of standalone) and consolidation figures are after elimination.

**For and on behalf of the Board**

**Sandeep Tandon**  
Director

**Amit Bapna**  
Director

**Drishya Shah**  
Company Secretary

**Megha Topiwala**  
Chief Financial Officer

Place: Mumbai  
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