

ECap Equities Limited

**Financial Statements
together with Auditors' Report
for the year ended 31 March 2017**

ECap Equities Limited

Financial statements together with Auditors' Report
for the year ended 31 March 2017

Contents

Auditors' report

Balance sheet

Statement of profit and loss

Cash flow statement

Notes to the financial statements

Independent Auditors' Report

To
The Members of ECap Equities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **ECap Equities Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; 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 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 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. 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.



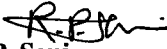
Opinion

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 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 state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statement 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 written representations received from the Directors as on 31 March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company;
 - iv. the Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 – Refer Note 2.42.

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


R. P. Soni
Partner
Membership No.:104796

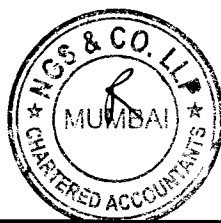


Place: Mumbai
Date: 16 May 2017

Annexure A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of ECap Equities Limited ('the Company') on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the Company.
- (ii) The Company has conducted physical verification of inventory on the basis of statement received from depository participants in respect of securities held as inventory, at reasonable intervals during the year. No material discrepancies have been noticed on such physical verification.
- (iii) As informed, during the year the Company has not granted any fresh loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of unsecured interest bearing loan granted in earlier year to one company covered in the register maintained under Section 189 of the Companies Act, 2013 which have been repaid during the year:
 - (a) In our opinion and according to the information and explanation given to us, the terms and conditions of above loan are prima facie not prejudicial to the interest of the Company.
 - (b) The borrower has been regular in repayment of the principal and payment of interest as stipulated.
 - (c) There is no overdue amount in respect of above loan granted to a company listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans to directors including entities in which they are interested in respect of which the provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of loans and advances given and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any activities conducted and services rendered by the Company.



- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, services tax, cess and other material statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, Company did not have any dues on account of employees' state insurance, sales tax, value added tax, duty of excise and duty of custom.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, services tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of service tax, and cess which have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax on account of dispute, is as follows:

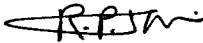
Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	33,017,983	A.Y. 2014-15	CIT (A)

- (viii) In our opinion, and according to information and explanations given to us, the Company has not defaulted in repayment of dues to its bank, financial institution and debenture holders. Further, the Company does not have any loans or borrowings from government.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan/debt instruments for the purposes for which it was raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company, being registered with Securities And Exchange Board of India as sub broker, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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



R. P. Soni
Partner
Membership No.:104796



Place: Mumbai
Date: 16 May 2017

Annexure B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **ECap Equities Limited ("the Company")** as of 31 March 2017 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

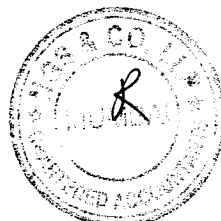
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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") 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 applicable to an audit of Internal Financial Controls and, 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.

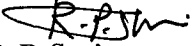
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, to the best of our information and according to the explanations given to us, the Company has, 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 Institute of Chartered Accountants of India.

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


R. P. Soni
Partner
Membership No.: 104796



Place: Mumbai
Date: 16 May 2017

ECap Equities Limited

Balance Sheet

(Currency : Indian Rupees)

	Note	As at 31 March 2017	As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	38,400,000	38,400,000
Reserves and surplus	2.2	<u>2,480,005,539</u>	<u>2,461,518,798</u>
		2,518,405,539	2,499,918,798
Non-current liabilities			
Long-term borrowings	2.3	4,537,404,249	1,100,000,000
Long-term provisions	2.4	<u>9,578,000</u>	<u>11,575,000</u>
		4,546,982,249	1,111,575,000
Current liabilities			
Short-term borrowings	2.5	12,158,368,352	7,622,627,183
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	2.39	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.6	6,503,532,783	6,352,876,436
Other current liabilities	2.7	358,222,319	543,357,860
Short-term provisions	2.8	<u>26,437,928</u>	<u>56,976,602</u>
		19,046,561,382	14,575,838,081
TOTAL		<u><u>26,111,949,170</u></u>	<u><u>18,187,331,879</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.9	18,356,795	16,076,540
Intangible assets	2.9	18,777,216	29,590,201
Capital work-in-progress		3,973,281	2,234,652
Non-current investments	2.10	9,785,258,488	8,221,218,703
Deferred tax assets (net)	2.11	37,551,367	48,429,953
Long-term loans and advances	2.12	<u>222,032,941</u>	<u>121,190,588</u>
		10,085,950,088	8,438,740,637
Current assets			
Current investments	2.13	9,782,402	-
Stock-in-trade	2.14	8,090,088,863	8,405,584,000
Trade receivables	2.15	1,024,839,761	48,229,071
Cash and bank balances	2.16	563,664,414	695,525,646
Short-term loans and advances	2.17	6,107,528,210	215,392,447
Other current assets	2.18	<u>230,095,432</u>	<u>383,860,078</u>
		16,025,999,082	9,748,591,242
TOTAL		<u><u>26,111,949,170</u></u>	<u><u>18,187,331,879</u></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



R. P. Soni

Partner

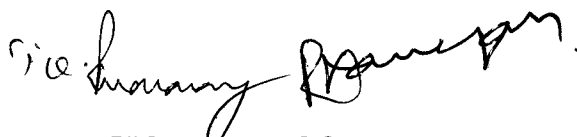
Membership No.: 104796

Mumbai

16 May 2017



For and on behalf of the Board of Directors



T.K. Ramaswamy

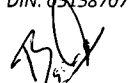
Director

DIN: 05158707

R. Ganesan

Director

DIN: 07446631


Bhavesh Singh

Company Secretary

ECap Equities Limited

Statement of Profit and Loss

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations			
Fee and commission income	2.19	249,812,693	167,548,396
Income from treasury operations and investments	2.20	(199,092,789)	(930,126,171)
Interest income	2.21	2,104,793,716	2,968,413,237
Sale of commodities		-	4,033,146,008
Other income	2.22	2,290	12,263,480
Total revenue		2,155,515,910	6,251,244,950
Expenses			
Purchases of commodities		-	3,916,681,950
Employee benefit expenses	2.23	169,065,867	297,973,452
Finance costs	2.24	1,814,709,631	1,443,577,691
Depreciation and amortisation expenses	2.9	21,697,035	10,539,237
Other expenses	2.25	136,339,629	121,864,944
Total expenses		2,141,812,162	5,790,637,274
Profit before tax		13,703,748	460,607,676
Tax expense:			
Current tax		9,750,000	67,531,820
MAT credit entitlement (Includes entitlement for earlier years Rs. 15,661,579 (Previous year Rs. 30,123,603))		(25,411,579)	(76,430,327)
Deferred tax charge/(benefit)		10,878,586	(29,481,356)
Profit after tax		18,486,741	498,987,539
Earnings per equity share:			
Basic and diluted (face value Rs. 10 each)	2.28	77.03	2,066.48

Significant accounting policies and notes to the financial statements.

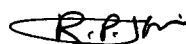
1 & 2

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

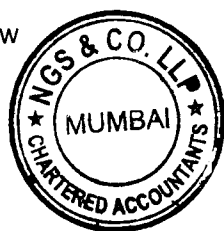
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R. P. Soni

Partner

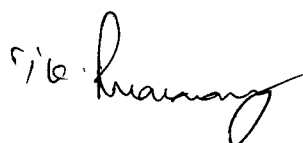
Membership No.: 104796



Mumbai

16 May 2017

For and on behalf of the Board of Directors



T.K. Ramaswamy

Director

DIN: 05158707



R. Ganesan

Director

DIN: 07446631



Bhavesh Singh

Company Secretary

ECap Equities Limited

Cash Flow Statement

(Currency: Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A Cash flow from operating activities		
Profit before taxation	13,703,748	460,607,676
Adjustments for		
Depreciation and amortisation expenses	21,697,035	10,539,237
Provision for doubtful debts/bad debts written-off	31,128,205	-
Provision for gratuity and compensated absences	538,327	8,123,705
Profit on sale of Investments	(82,227,745)	(1,304,270)
Dividend on investment	(451,521)	(2,229,172)
Share of loss/(profit) from partnership firm	23,617,233	11,034,334
Loss on sale fixed assets	19,188	-
Interest income	(107,872,297)	(2,915,084,759)
Interest expense	1,649,669,321	1,403,014,738
Operating cash flow before working capital changes	1,549,821,494	(1,025,298,511)
Adjustments for working capital changes		
Decrease in Stock-in-trade	315,495,137	166,027,198
(Increase)/decrease in trade receivable	(1,007,738,895)	117,679,880
(Increase) in loans and advances	(12,327,658)	(1,326,508)
Decrease/(increase) in other assets	13,838,147	(5,749,886)
Increase in margin placed on trading of securities	(2,229,133)	(32,052,458)
Increase in liabilities and provisions	3,312,089,418	6,432,384,468
Fixed deposit placed	-	(50,000,000)
Cash generated from operations	4,168,948,510	5,601,664,183
Income tax paid	(74,196,023)	(29,390,474)
Net cash generated from operating activities - A	4,094,752,487	5,572,273,709
B Cash flow from investing activities		
Purchase of investment	(2,909,191,527)	(3,543,706,466)
Purchase of fixed assets	(14,930,527)	(36,557,055)
Sales of fixed assets	8,406	-
Sale of investment	1,513,432,038	789,181,041
Interest received	250,027,929	2,901,906,813
Dividend received	451,522	2,229,174
Intercompany Loan given/proceeds from repayment	27,108,950	-
Loan given/proceeds from repayment of loan (refer note 2)	(5,917,901,811)	(500,000)
Net cash (used in)/ generated from investing activities - B	(7,050,995,020)	112,553,507
C Cash flow from financing activities		
Repayment of unsecured loans (net) (refer note 2)	4,535,741,169	(4,132,657,219)
Interim dividend, Preference dividend and dividend distribution tax paid	-	(183,569,484)
Interest paid	(1,591,907,684)	(1,364,538,861)
Net cash generated from/(used in) financing activities - C	2,943,833,485	(5,680,765,564)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(12,409,048)	4,061,652
Cash and cash equivalents as at the beginning of the year	18,401,680	14,340,028
Cash and cash equivalents as at the end of the year (refer note 1)	5,992,632	18,401,680

Note:

1 Cash and cash equivalents include the following:

Balances with scheduled banks:

In current accounts

Cash and cash equivalents (refer note 2.16)

5,992,632	18,401,680
5,992,632	18,401,680

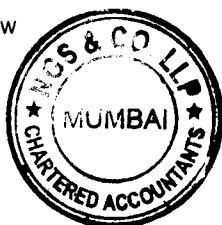
2 Net figures have been reported on account of volume of transactions.

As per our report of even date attached.

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

R. P. Soni
Partner
Membership No.: 104796

Mumbai
16 May 2017



For and on behalf of the Board of Directors

T.K. Ramasamy
Director
DIN: 05158707

R. Ganesan
Director
DIN: 07446631

Bhavesh Singh
Company Secretary

ECap Equities Limited

Notes to the financial statements

1. Significant accounting policies

1.1 Basis of preparation of financial statements

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

1.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Current-non-current classification

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

Assets

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realized within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.



ECap Equities Limited

Notes to the financial statements (*continued*)

1. Significant accounting policies (*continued*)

1.4 Revenue recognition

- Fee income is accounted on accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Brokerage income is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date.
- Income from treasury operations comprises of profit/loss on sale of securities and profit/loss on derivative instruments.
 - i) Profit/loss on sale of securities is determined based on the weighted average cost of the securities sold.
 - ii) Realised profit/loss on closed positions of derivative instruments is recognised on final settlement on squaring-up of the contracts. Outstanding derivative contracts in the nature of forwards/futures/options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, market intermediary quotes, valuation techniques are used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.
- Profit/loss earned on sale of investments is recognised on trade date basis. Profit/loss on sale of investments is determined based on the weighted average cost of the investments sold.
- Interest income is recognised on accrual basis.
- Dividend income is recognised when the right to receive payment is established.
- Profit / loss from share in partnership firm is accounted for once the amount of the share of profit / loss is ascertained and credited / debited to the Company's account in the books of the partnership firm.
- Commodity's sales are accounted when all obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.
- Return on benchmark linked non-convertible debentures issued by the company is linked to the performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at year end. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis and included in the 'cost of benchmark linked debentures'.

1.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.



ECap Equities Limited

Notes to the financial statements (*continued*)

1. Significant accounting policies (*continued*)

1.6 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

Non-monetary assets and liabilities are carried at historical cost using exchange rates on the date of the transaction.

1.7 Stock-in-trade

- The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and disclosed as current assets.
- The securities held as stock-in-trade are valued at lower of weighted average cost or market value.
- In case of units of mutual funds held as stock-in-trade, net asset value is considered as fair value.
- Stock-in-trade in the form of commodities are valued at cost or net realisable value, whichever is lower.
- Debt instruments and warrants are valued at cost or realizable value whichever is lower. In case of debt instruments for which direct quotes are not available, they are valued at the lowest of the quotes as on valuation date as provided by market intermediaries.
- Commercial papers are valued at carrying cost.

1.8 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 diminution in value which is other than temporary, 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 category of 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.



ECap Equities Limited

Notes to the financial statements (*continued*)

1. Significant accounting policies (*continued*)

1.9 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share”. Basic earnings per share is computed by dividing the net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.10 Fixed assets and depreciation

Tangible fixed assets and Capital work in progress

Tangible fixed assets are stated at cost less accumulated depreciation and impairment, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the estimated useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II of the Act for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Class of assets	Useful life
Building (Other than factory building)	60 years
Furniture and fittings	10 years
Motor vehicles	8 years
Office equipments	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortized on a straight-line basis over the estimated useful lives of the assets or the period of lease, whichever is shorter.

Intangible fixed assets

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.



ECap Equities Limited

Notes to the financial statements *(continued)*

1. Significant accounting policies *(continued)*

1.11 Employee benefits

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

Provident fund

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

Gratuity

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

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

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

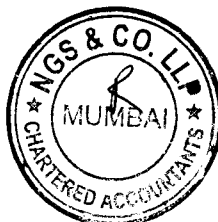
Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Compensated leave absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

Deferred bonus

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles. These assumptions and principles are consistent with the requirements of Accounting Standard 15 (Revised 2005).



ECap Equities Limited

Notes to the financial statements *(continued)*

1. *Significant accounting policies (continued)*

1.12 *Taxation*

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

Current tax

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

Deferred tax

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

Minimum alternative tax (MAT) Credit

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.13 *Operating leases*

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

1.14 *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.



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.1 Share capital		
Authorised:		
10,000,000 (Previous year: 10,000,000) equity shares of Rs. 10 each	100,000,000	100,000,000
40,000,000 (Previous year: 40,000,000) preference shares of Rs. 10 each	400,000,000	400,000,000
	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid up:		
240,000 (Previous year: 240,000) equity shares of Rs. 10 each	2,400,000	2,400,000
3,600,000 (Previous year: 3,600,000), 7% Non-cumulative, non-convertible, Redeemable preference shares of Rs. 10 each	36,000,000	36,000,000
	<u>38,400,000</u>	<u>38,400,000</u>

a. Movement in share capital:

	31 March 2017		31 March 2016	
	No. of shares	Amount	No. of shares	Amount
Reconciliation of number of equity shares outstanding:				
Number of shares outstanding at the beginning of the year	240,000	2,400,000	240,000	2,400,000
Shares issued during the year	-	-	-	-
Number of shares outstanding at the end of the year	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>
Reconciliation of number of preference shares outstanding:				
Number of shares outstanding at the beginning of the year	3,600,000	36,000,000	3,600,000	36,000,000
Shares issued during the year	-	-	-	-
Number of shares outstanding at the end of the year	<u>3,600,000</u>	<u>36,000,000</u>	<u>3,600,000</u>	<u>36,000,000</u>

b. Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Terms of conversion/repayment of 7% Non-cumulative, non-convertible, redeemable, preference shares of Rs. 10 each:

The preference shares are 7% non-cumulative, non-convertible redeemable and carry a non-cumulative dividend of 7%.

1,800,000 Preference shares of face value of Rs. 10 each were allotted on 29 March 2012 at a rate of Rs. 1,000 each. The preference shares will be redeemed at Rs. 1,000 per share. The preference shares will be redeemed at the end of 10 years from the date of allotment. The Company has the option to redeem the shares at any time after a period of 3 months from the date of allotment.

1,800,000 Preference shares of face value of Rs. 10 each were allotted on 20 December 2013 at par. The preference shares will be redeemed at face value. The preference shares will be redeemed at the end of 5 years from the date of allotment. The Company has the option to redeem the shares at any time after a period of 3 months from the date of allotment.

c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

	As at 31 March 2017		As at 31 March 2016	
	No. of shares	%	No. of shares	Amount
Equity shares				
Edelweiss Financial Services Limited, the holding company and its nominees	240,000	100%	240,000	100%
	<u>240,000</u>	<u>100%</u>	<u>240,000</u>	<u>100%</u>
Preference shares				
Edelweiss Financial Services Limited, the holding company and its nominees	1,800,000	50%	1,800,000	50%
ECL Finance Limited, the subsidiary of the holding company	-	-	1,800,000	50%
Edelweiss Commodities Services Limited, the subsidiary of the holding company	1,800,000	50%	-	-
	<u>3,600,000</u>	<u>100%</u>	<u>3,600,000</u>	<u>100%</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.2 Reserves and surplus		
Securities premium reserves	1,951,910,070	1,951,910,070
Debenture Redemption Reserve		
Opening Balance	-	-
Add : Addition during the year	<u>4,407,565</u>	<u>-</u>
	4,407,565	-
Surplus in statement of profit and loss	509,608,728	194,190,673
Add: Profit for the year	<u>18,486,741</u>	<u>498,987,539</u>
Surplus available for appropriation	528,095,469	693,178,212
Appropriations:		
Interim dividend	-	150,000,000
Dividend distribution tax	-	31,049,484
Dividend on preference shares	-	2,520,000
Transfer to debenture redemption reserve	<u>4,407,565</u>	<u>-</u>
Net surplus in statement of profit and loss	523,687,904	509,608,728
Closing balance	<u>2,480,005,539</u>	<u>2,461,518,798</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.3 Long-term borrowings		
<i>Secured</i>		
Non-Convertible Debenture (refer note 2.35) (The debentures are secured by a first mortgage and charge over the immovable property and a pari passu charge on the receivables and stock-in-trade to the extent equal to the principal and interest amount i.e. redemption value of debentures)	1,227,404,249	-
Term loan from other parties (refer note 2.36) (secured against immovable property of co borrower, movable and Current assets and hypothecation is created over all current and future furniture and fittings)	3,310,000,000	1,100,000,000
	<u>4,537,404,249</u>	<u>1,100,000,000</u>
2.4 Long-term provisions		
Provision for employee benefits		
Gratuity	8,140,000	7,822,000
Compensated leave absences	1,438,000	1,253,000
Deferred bonus	-	2,500,000
	<u>9,578,000</u>	<u>11,575,000</u>
2.5 Short-term borrowings		
<i>Unsecured</i>		
(Due within one year, unless otherwise stated)		
Loans from related parties (repayable on demand, at variable rate of interest ranging from 8.47% to 11.50% per annum)	-	7,622,627,183
Commercial paper	4,970,000,000	-
Less: Unamortised discount on commercial paper	(311,631,648)	-
	<u>4,658,368,352</u>	-
Term loan from bank (repayable on demand, interest rate at 8.5% p.a.)	7,500,000,000	-
	<u>12,158,368,352</u>	<u>7,622,627,183</u>
2.6 Trade payables		
Trade payables to non-related parties	5,727,439,657	6,344,315,712
Trade payables to related parties (Including sundry creditors and provision for expenses)	776,093,126	8,560,724
	<u>6,503,532,783</u>	<u>6,352,876,436</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.7 Other current liabilities		
Interest accrued and due on borrowings	143,283,008	85,521,371
Premium received on exchange traded options	13,370,509	122,453,005
Nomination deposits	100,000	-
Other payables		
Accrued salaries and benefits	79,095,100	142,851,586
TDS and other taxes payable	118,597,678	99,247,686
Book overdraft	184,687	58,250,334
Others	3,591,337	35,033,878
	358,222,319	543,357,860
2.8 Short-term provisions		
Provision for employee benefits		
Gratuity	1,338,327	1,333,000
Compensated leave absences	288,000	258,000
Deferred bonus	24,000,000	54,574,000
Others		
Provision for taxation (net of advance tax and tax deducted at source)	811,601	811,602
	26,437,928	56,976,602



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.9 Fixed assets

Description of assets	Gross block				Depreciation			Net block		
	As at 1 April 2016	Additions during the year	Deductions / adjustments during the year	As at 31 March 2017	As at 1 April 2016	Adjustments	Charge for the year	Deductions during the year	As at 31 March 2017	As at 31 March 2016
(A) Tangible assets										
Building	-	1,943,600	-	1,943,600	-	-	799	-	799	1,942,801
Leasehold improvements	1,657,585	1,163,207	-	2,820,792	290,778	-	530,966	-	821,744	1,366,807
Furniture and fittings	547,388	388,959	-	936,347	117,696	-	187,369	-	305,065	429,692
Motor vehicles	4,549,177	3,869,173	-	8,418,350	1,222,134	-	1,864,381	-	3,086,515	3,327,043
Office equipments	673,317	863,713	-	1,537,030	234,306	-	527,611	-	761,917	439,011
Computers	13,837,769	3,855,629	139,730	17,553,668	3,323,782	-	6,665,307	112,137	9,876,952	10,513,987
Total : A	21,265,236	12,084,281	139,730	33,209,787	5,188,696	-	9,776,433	112,137	14,852,992	16,076,540
(B) Intangible asset										
Computer software	40,533,536	1,107,617	-	41,641,153	10,943,335	-	11,920,602	-	22,863,937	29,590,201
Total : B	40,533,536	1,107,617	-	41,641,153	10,943,335	-	11,920,602	-	22,863,937	29,590,201
Grand total [A+B]	61,798,772	13,191,898	139,730	74,850,940	16,132,031	-	21,697,035	112,137	37,716,929	45,666,741
Previous year	12,642,654	49,156,118	-	61,798,772	5,592,794	-	10,539,237	-	16,132,031	45,666,741



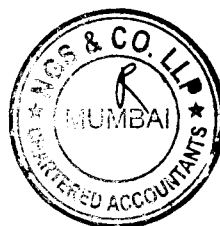
ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments of subsidiary company (fully paid up) (unquoted)						
Edelcap Securities Limited	10	300,000	13,000,000	10	300,000	13,000,000
Edelweiss Finvest Private Limited	10	1,700,812	416,301,389	10	1,700,812	413,918,885
Olive Business Centre Limited	10	18,160,500	172,293,073	-	-	-
Serenity Business Park Limited	10	19,160,500	212,856,897	-	-	-
Eternity Business Centre Limited	10	19,160,500	209,371,049	-	-	-
Burlington Business Solutions Limited	10	18,210,500	201,075,715	-	-	-
Auris Corporate Centre Limited	10	16,460,500	176,872,071	-	-	-
Investments in equity instruments of other company (fully paid up) (unquoted)						
Lichen Metals Private Limited	10	169,080	11,400,000	10	169,080	11,400,000
Edelweiss Asset Reconstruction Company Limited	10	20,964,082	446,425,675	-	-	-
Edelweiss Asset Management Limited		3,937,500	315,000,000	-	-	-
Investments in equity instruments of other companies (fully paid up) (quoted)						
Eclerx Services Limited	-	-	-	10	34,432	32,723,572
Persistent Systems Limited	-	-	-	10	47,018	27,875,535
PTC India Financial Services Limited	-	-	-	10	1,503,353	65,199,574
Repco Home Finance Limited	-	-	-	10	56,835	27,870,709
Credit Analysis and Research Limited	10	32,000	46,084,058	10	32,000	46,084,058
Ratnamani Metals & Tubes Limited	2	16,065	7,884,151	2	66,589	32,679,597
SRF Limited	-	-	-	10	59,000	65,628,112
Indo Count Industries Limited	2	571,575	52,659,448	10	114,315	52,659,448
WPIL Limited	-	-	-	10	4,799	2,858,379
Balrampur Chini Mills Limited	1	9,956	420,143	1	9,956	420,143
HSIL Limited	2	13,744	5,141,789	2	13,744	5,141,789
HeidelbergCement India Limited	-	-	-	10	69,568	5,157,290
NCC Limited	-	-	-	2	250,000	20,711,100
Birla Corporation Limited	10	1,500	621,075	10	1,500	621,075
Jindal Saw Limited	-	-	-	2	5,760	349,920
Swaraj Engines Limited	10	2,692	2,202,729	10	2,692	2,202,729
Thermax Limited	-	-	-	2	50,011	46,422,711
The Great Eastern Shipping Company Limited	10	1,830	627,049	10	1,830	627,050
Deepak Fertilizers and Petrochemicals Corporation Limited	-	-	-	10	21,452	2,739,420
Gujarat Narmada Valley Fertilizers and Chemicals Limited	-	-	-	10	25,246	1,618,269
Gujarat State Fertilizers & Chemicals Limited	-	-	-	2	12,085	850,784
CEAT Limited	-	-	-	10	10,000	12,627,578
Tata Investment Corporation Limited	-	-	-	10	1,349	750,178
Greaves Cotton Limited	2	36,038	4,998,434	2	36,038	4,998,434
The Phoenix Mills Limited	-	-	-	2	14,058	5,000,886
Zensar Technologies Limited	10	7,602	3,204,209	10	7,602	3,204,209
Federal-Mogul Goetze (India) Limited	10	10,400	4,147,362	10	13,061	5,208,528
Grindwell Norton Limited	-	-	-	5	6,667	5,005,333
Graphite India Limited	2	7,945	636,792	2	7,945	636,792
Huhtamaki PPL Limited	-	-	-	2	21,660	5,603,408
Dewan Housing Finance Corporation Limited	-	-	-	10	163,652	31,467,319
Sunteck Realty Limited	2	1,000	279,250	2	1,000	279,250
Avanti Feeds Limited	2	9,850	4,723,350	2	11,850	5,682,406
Tata Sponge Iron Limited	-	-	-	10	866	496,305
Carborundum Universal Limited	-	-	-	1	18,176	2,948,147
JBF Industries Limited	-	-	-	10	21,657	5,136,260
Gujarat Industries Power Company Limited	10	27,524	2,167,857	10	27,524	2,167,857
Balmer Lawrie & Company Limited	10	24,268	3,195,628	10	6,067	3,195,628
Vinati Organics Limited	2	10,519	5,710,403	2	10,519	5,710,403



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments (continued)

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments of other companies (fully paid up) (quoted)						
Aarti Drugs Limited	-	-	-	10	7,687	5,118,588
JK Tyre & Industries Limited	-	-	-	2	268,082	18,282,104
Jubilant Life Sciences Limited	1	98,090	40,864,754	1	17,446	2,979,777
Somany Ceramics Limited	2	11,876	4,803,331	2	12,726	5,147,119
Investments in equity instruments of other companies (fully paid up) (quoted)						
Poly Medicure Limited	5	15,940	3,508,827	5	11,970	5,269,844
Welspun Corp Limited	5	39,952	5,182,352	5	39,952	5,182,352
Cyient Limited	5	10,720	5,858,296	5	10,720	5,858,296
State Bank of Mysore	10	11,903	5,732,504	10	11,903	5,732,504
Mahindra Lifespace Developers Limited	10	1,441	664,013	10	1,441	664,013
United Spirits Limited	-	-	-	10	8,700	29,141,047
Cera Sanitaryware Limited	5	5,149	10,244,338	5	5,149	10,244,338
Granules India Limited	1	8,910	750,427	1	8,910	750,427
Strides Shasun Limited	10	292	195,118	10	8,292	5,540,827
Indoco Remedies Limited	2	14,042	5,116,727	2	14,042	5,116,727
Gateway Distriparks Limited	10	14,687	5,007,584	10	14,687	5,007,584
Shoppers Stop Limited	5	1,131	459,412	5	1,131	459,412
Entertainment Network (India) Limited	10	6,403	4,417,760	10	7,275	5,019,397
GVK Power & Infrastructure Limited	1	2,911,265	24,734,542	1	10,456,552	88,840,427
GMR Infrastructure Limited	-	-	-	1	2,039,000	29,988,071
Sobha Limited	10	7,052	3,058,805	10	7,052	3,058,805
ICRA Limited	10	1,267	5,297,829	10	1,267	5,297,829
Religare Enterprises Limited	10	14,852	5,120,525	10	14,852	5,120,525
J.Kumar Infraprojects Limited	5	358,968	131,175,600	5	358,968	131,175,600
IRB Infrastructure Developers Limited	-	-	-	10	119,908	29,916,899
Cox & Kings Limited	-	-	-	5	18,830	4,992,109
D B Realty Limited	-	-	-	10	280,000	18,760,000
Bajaj Corp Limited	1	10,770	5,017,325	1	10,770	5,017,325
Tree House Education & Accessories Limited	10	12,194	1,560,658	10	12,194	1,560,658
National Buildings Construction Corporation Limited	2	30,000	2,611,161	10	13,902	9,075,091
PC Jeweller Limited	10	12,405	5,021,420	10	12,405	5,021,420
Bharti Infratel Limited	-	-	-	10	20,000	8,307,645
Orient Cement Limited	-	-	-	1	28,904	5,020,628
Indiabulls Housing Finance Limited	-	-	-	2	72,000	22,208,132
Star Ferro and Cement Limited	1	38,353	5,811,049	1	38,353	5,811,049
Prabhat Dairy Limited	10	1,040,228	150,693,438	10	1,713,414	248,215,051
InterGlobe Aviation Limited	-	-	-	10	46,716	44,898,974
Alkem Laboratories Limited	-	-	-	2	38,889	40,833,450
Greenlam Industries Limited	-	-	-	-	-	-
APL Apollo Tubes Limited	10	151,000	66,036,520	10	151,000	66,036,520
Inox Wind Limited	-	-	-	10	154,000	65,865,468
Aditya Birla Nuvo Limited	-	-	-	10	90,200	199,859,819
Aditya Birla Fashion and Retail Limited	10	469,040	99,929,909	-	-	-
Allcargo Logistics Limited	2	348,182	66,055,453	2	356,000	67,538,647
FIEM Industries Limited	-	-	-	10	101,400	66,050,441
Mahindra Holidays & Resorts India Limited	10	136,000	56,657,495	10	109,300	45,833,669
MT Educare Limited	10	364,564	67,883,145	-	-	-
Orient Green Power Company Limited	10	9,958,791	144,999,997	10	9,958,791	144,999,997
Himadri Chemicals & Industries Limited	1	2,098,700	66,526,214	-	-	-
Vivimed Labs Limited	2	555,600	62,856,799	-	-	-
Sanghi Industries Limited	10	750,477	45,620,014	-	-	-
Muthoot Finance Limited	10	185,090	67,870,122	-	-	-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments (continued)

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments of other companies (fully paid up) (unquoted)						
Bridgel2I Analytics Solutions Private Limited	10	100	102,050	-	-	-
Rockdude Impex Private Limited	10	100	7,172	-	-	-
Peak Minerals and Mining Private Limited	10	175,000	1,450,000	10	175,000	1,750,000
Gentrust Consumer Durables Private Limited	10	693	27,523,272	10	420	8,505,000
Samunnati Financial Intermediation & Services Private Limited	10	75,699	54,999,852	10	61,142	40,000,319
FLFL Lifestyle Brands Limited	10	9,200	18,400,000	-	-	-
Fincare Business Services Ltd	10	250,358	70,000,097	-	-	-
Investments in warrants (Unquoted)						
Panyam Cements & Mineral Industries Limited	0.50	164,397	13,909,631	1	164,397	3,477,408
Investments in preference shares of subsidiary companies (fully paid up)						
Edelcap Securities Limited	10	26,120,000	1,620,000,000	10	26,120,000	1,620,000,000
Edelweiss Finvest Private Limited	10	20,758,908	3,350,896,180	10	20,758,908	3,251,034,372
Investments in preference shares of other companies (fully paid up)						
Gentrust Consumer Durables Private Limited	100	148	40,000,000	100	148	40,000,000
Mapoline Realtors Consultancy Private Limited	10	1,592	6,000,614	10	1,592	6,000,614
Bridgel2I Analytics Solutions Private Limited	10	205,681	209,897,461	-	-	-
Rockdude Impex Private Limited		1,394,186	99,992,828	-	-	-
Investments in units of fund						
Edelweiss Stressed and Troubled Assets Revival Fund 1	10,000	3,000	24,957,961	6,664	325	2,165,688
Paragon Partners growth fund-I	100	280,000	72,000,000	100	280,000	28,000,000
Edelweiss Real Estate Opportunities Fund	10,000	12,800	128,000,000	-	-	-
Edelweiss Private Equity Tech fund	100,000	471	47,115,000	-	-	-
Edelweiss Alternative Investment Trust- EW Clover Scheme	10,000	12,500	125,000,000	10,000	12,500	125,000,000
Edelweiss Special Opportunities Fund	10,000	2,136	21,362,730	-	-	-
Investments in debt instruments of other companies - Quoted						
Orissa Stevedores Limited Secured Redeemable NCD 2021	-	-	-	1,000,000	210	210,000,000
Appu Hotels Limited (APPUHL-10%-20-6-19-PVT)	-	-	-	629,122	130	81,785,918
Investments in debt instruments of subsidiary company						
17% C.C Debentures (Series A)-Edelweiss Finvest Private Limited	125	2,150,984	356,967,581	125	2,150,984	339,759,709
Investment in partnership firm						
- Capital account (refer note below)			33,000			42,000
			<u>9,785,258,488</u>			<u>8,221,218,703</u>
Aggregate of unquoted investments						
- At carrying value			8,463,211,298			5,900,576,587
Aggregate amount of quoted investments						
- At carrying value			1,322,047,190			2,320,642,116
- At market value			1,406,208,615			1,911,741,907



ECap Equities Limited

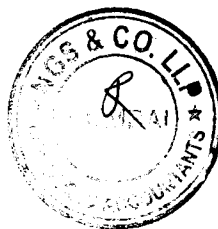
Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments (continued)

Details of investment in partnership firms:

(a)	Partnership firm	Total Capital	31 March	31 March
	Edelvalue Partners	Rs. 100,000 (Previous year Rs. 100,000)	2017	2016
	Share of profit / loss	Magnolia Commodities Services Private Limited		41%
		Dahlia Commodities Services Private Limited		40%
		Edelweiss Commodities Services Limited		10%
		ECap Equities Limited	NIL	9%
(b)	Partnership firm	Total Capital	31 March	31 March
	Forefront Wealth Advisor LLP	Rs. 100,000 (Previous year Rs. Nil)	2017	2016
	Share of profit / loss	Edelweiss Commodities Services Limited	34%	34%
		Edelweiss Capital Markets Limited	33%	33%
		ECap Equities Limited	33%	33%



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.11 Deferred tax assets (net)		
Deferred tax assets		
<i>Tax effect of timing differences on account of:</i>		
Provision for doubtful debts	10,557,913	278,425
Disallowances under section 43B of the Income Tax Act, 1961	11,639,606	23,443,458
Unrealised loss on equity/derivative instruments	1,494,409	21,790,020
Others	17,463,237	6,130,122
	<u>41,155,165</u>	<u>51,642,025</u>
Deferred tax liabilities		
<i>Tax effect of timing differences on account of:</i>		
Difference between book and tax written down value	3,603,798	3,212,072
	<u>3,603,798</u>	<u>3,212,072</u>
	<u>37,551,367</u>	<u>48,429,953</u>
2.12 Long-term loans and advances		
Unsecured, considered good		
Loans and advances to related parties	-	500,000
Others		
Capital Advances	-	341,651
Rental deposits	2,279,400	-
Other deposits	7,700	7,700
Advance income taxes and tax deducted at source (net of provision for taxation)	219,745,841	120,341,237
	<u>222,032,941</u>	<u>121,190,588</u>
2.13 Current investments		
Investments in partnership firm		
Current account (refer note 2.10 (a & b))	9,782,402	-
	<u>9,782,402</u>	<u>-</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade

Securities

	As at 31 March 2017	As at 31 March 2016
Equity shares (quoted)	784,116,754	906,557,269
Preference shares (quoted)	6,661,220	-
Warrents (quoted)	54,839,099	9,132,300
Mutual funds (quoted)	224,145,884	47,568,493
Mutual funds (Unquoted)	-	70,407,124
Debentures and bonds (quoted)	28,590,212	518,625,954
Debentures and bonds (unquoted)	6,991,735,694	6,853,292,860

8,090,088,863	8,405,584,000
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Aggregate of inventories in equity shares (quoted)

- At book value	784,116,754	906,557,269
- At market value	842,740,625	982,300,426

Aggregate of inventories in Preference shares (quoted)

- At book value	6,661,220	-
- At market value	6,661,220	-

Aggregate of inventories in warrents (quoted)

- At book value	54,839,099	9,132,300
- At market value	66,809,600	9,132,300

Aggregate of inventories in mutual funds (quoted)

- At book value	224,145,884	47,568,493
- At Net Asset Value	225,436,208	48,325,620

Aggregate of inventories in mutual funds (unquoted)

- At book value	-	70,407,124
- At Net Asset Value	-	70,422,356

Aggregate of inventories in debentures and bonds (quoted)

- At book value	28,590,212	518,625,954
- At market value	28,590,212	518,625,954

Aggregate of inventories in debentures and bonds (unquoted)

- At book value	6,991,735,694	6,853,292,860
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ECap Equities Limited

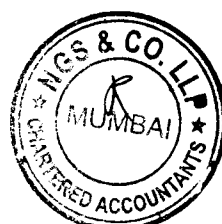
Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of inventories

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Balkrishna Industries Limited	-	-	-	2	1,800	904,940
RCI Industries & Technologies Limited	10	8,486	339,440	10	21,000	840,000
Suyog Telematics Limited	-	-	-	10	45,000	1,125,000
E.I.D.-Parry (India) Limited	-	-	-	1	11,848	2,185,111
GHCL Limited	10	330,987	87,877,049	10	162,917	11,676,626
Kajaria Ceramics Limited	2	35,642	19,705,496	2	3,832	3,531,201
Max Financial Services Limited	-	-	-	2	41,818	14,387,483
Raymond Limited	10	5,500	3,485,075	10	8,263	3,220,777
Tata Elxsi Limited	-	-	-	10	1,195	2,251,201
Finolex Industries Limited	10	2,251	748,919	10	2,251	542,155
Zensar Technologies Limited	10	10,500	9,713,025	10	10,500	9,800,175
Nesco Limited	-	-	-	10	10,135	14,293,632
Dhanuka Agritech Limited	2	5,624	3,102,772	2	6,324	1,968,314
VST Industries Limited	10	1,536	2,401,812	10	1,960	3,064,812
Can Fin Homes Limited	-	-	-	10	43,227	22,589,431
Avanti Feeds Limited	-	-	-	2	18,850	7,498,530
Mayur Uniquoters Limited	-	-	-	5	20,182	7,809,425
DCM Shriram Limited	2	6,699	1,755,994	2	6,699	719,473
Aarti Industries Limited	5	19,400	14,242,823	5	3,266	629,432
La Opala RG Limited	2	2,443	1,314,700	2	3,643	2,078,718
Relaxo Footwears Limited	1	11,896	4,747,884	1	25,496	9,034,193
Manappuram Finance Limited	2	35,997	3,533,106	2	25,997	760,389
City Union Bank Limited	1	50,853	6,522,984	1	170,353	15,609,418
Shriram City Union Finance Limited	-	-	-	10	18,335	26,971,519
IIFL Holdings Limited	2	122,321	43,128,377	2	40,585	7,687,601
Firstsource Solutions Limited	10	8,640	360,288	10	43,406	1,456,271
Astral Poly Technik Limited	1	3,769	1,699,931	1	6,986	2,201,531
Motilal Oswal Financial Services Limited	1	4,340	2,828,613	1	13,900	1,774,033
Kaveri Seed Company Limited	-	-	-	2	678	255,458
eClerx Services Limited	10	3,488	4,919,824	10	3,488	4,531,435
IL&FS Transportation Networks Limited	-	-	-	10	33,000	2,310,026
Persistent Systems Limited	10	2,320	1,382,024	10	4,250	3,014,309
Hindustan Media Ventures Limited	10	6,835	1,432,445	10	16,835	3,528,195
National Buildings Construction Corporation Limited	-	-	-	10	5,388	5,013,056
Dhabriya Polywood Limited	-	-	-	10	165,000	2,046,355
Starlit Power Systems Limited	10	110,000	1,056,000	10	88,000	1,056,000
ADCC Infocad Limited	-	-	-	10	27,000	1,080,000
JLA Infraville Shoppers Limited	10	40,000	162,000	10	40,000	400,000
Jet Infraventure Limited	-	-	-	10	11,000	1,375,000
Aanchal Ispat Limited	10	30,000	278,400	10	72,000	471,600
Momai Apparels Limited	-	-	-	10	73,600	5,740,800
Supreme (India) Impex Limited	10	16,000	960,000	10	18,000	1,080,000
Titan Company Limited	-	-	-	1	800	271,280
Kansai Nerolac Paints Limited	1	5,550	1,961,804	1	18,205	4,990,021
Hindustan Zinc Limited	-	-	-	2	240,495	44,154,882
Glaxosmithkline Pharmaceuticals Limited	-	-	-	10	769	2,629,285
Sanofi India Limited	-	-	-	10	1,131	4,536,893
Glaxosmithkline Consumer Healthcare Limited	-	-	-	10	889	5,335,155
Siyaram Silk Mills Limited	-	-	-	10	2,000	1,957,100
J.B.Chemicals & Pharmaceuticals Limited	-	-	-	2	20,000	4,989,000
Berger Paints India Limited	-	-	-	1	21,026	5,147,165
Cholamandalam Investment And Finance Company Limited	-	-	-	10	22,263	14,308,375
Gruh Finance Limited	-	-	-	2	42,726	10,222,196
Welspun India Limited	1	61,010	5,067,546	1	119,140	10,189,151
Anant Raj Limited	-	-	-	2	47,200	1,557,600
Amtek Auto Limited	-	-	-	2	194,200	5,884,260
Kitex Garments Limited	-	-	-	1	12,000	5,223,000
Praj Industries Limited	-	-	-	2	32,000	2,854,400
JM Financial Limited	-	-	-	1	894,693	34,043,068
Greenply Industries Limited	-	-	-	1	28,200	4,932,180
Bilcare Limited	-	-	-	10	22,686	951,678
Emami Limited	-	-	-	1	5,003	4,664,297
Atul Auto Limited	-	-	-	5	11,515	5,627,525
Kwality Limited	-	-	-	1	13,998	1,581,074
Jammu & Kashmir Bank Limited	-	-	-	1	56,000	3,388,000
Sonata Software Limited	1	65,257	11,005,593	1	65,257	9,511,208
Polaris Consulting & Services Limited	-	-	-	5	1,807,485	341,705,039



ECap Equities Limited

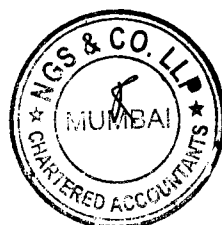
Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of inventories

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Triveni Engineering & Industries Limited	-	-	-	1	62,149	3,135,417
Sadbhav Engineering Limited	1	16,093	4,911,584	1	28,506	8,494,788
Kec International Limited	-	-	-	2	48,500	5,931,550
Allcargo Logistics Limited	-	-	-	2	16,200	2,478,600
Fiem Industries Limited	-	-	-	10	1,200	972,403
DCB Bank Limited	-	-	-	10	30,000	2,338,024
Lanco Infratech Limited	1	4,743,117	15,652,286	1	5,571,117	27,855,585
Torrent Power Limited	-	-	-	10	66,445	14,907,183
KNR Constructions Limited	-	-	-	10	5,469	2,785,909
V-Guard Industries Limited	-	-	-	10	4,593	4,043,907
Bajaj Finserv Limited	5	890	3,493,756	5	2,913	4,984,434
Mold-Tek Packaging Limited	-	-	-	5	24,000	3,366,000
Ashoka Buildcon Limited	-	-	-	5	21,600	3,691,440
Alembic Pharmaceuticals Limited	-	-	-	2	7,776	4,653,158
MT Educare Limited	-	-	-	10	25,000	3,583,625
Prozone Intu Properties Limited	2	310,000	11,454,500	2	255,000	6,897,750
Snowman Logistics Limited	-	-	-	10	24,000	1,274,400
Filtra Consultants And Engineers Limited	10	82,500	1,386,000	10	39,000	1,261,650
PNC Infratech Limited	-	-	-	10	5,600	2,960,160
Jiya Eco-Products Limited	10	28,800	456,000	10	96,000	1,824,000
M.D. Inducto Cast Limited	10	28,000	756,000	10	56,000	1,512,000
Majestic Research Services And Solutions Limited	-	-	-	10	40,000	510,000
Nirvikara Paper Mills Limited	10	2,102	91,925	10	2,102	-
Shyam Century Ferrous Limited	-	-	-	1	5,241	-
Mangalam Seeds Limited	-	-	-	10	30,000	1,500,000
Majesco Limited	-	-	-	5	6,050	3,439,425
Universal Autofoundry Limited	-	-	-	10	96,000	1,479,360
Interglobe Aviation Limited	-	-	-	10	39,500	33,954,394
Healthcare Global Enterprises Limited	-	-	-	10	75,000	13,391,250
Fourth Dimension Solutions Limited	-	-	-	10	40,000	1,200,000
Perfect Infraengineers Limited	10	84,000	1,617,000	10	84,000	1,365,000
Sri Krishna Constructions (India) Limited	10	48,000	2,160,000	10	48,000	1,598,400
Piramal Enterprises Limited	2	1,880	3,313,370	-	-	-
Ruby Cables Limited	10	219,000	5,256,000	-	-	-
Max Ventures and Industries Ltd	10	8,363	711,712	-	-	-
Max India Ltd	2	23,182	2,662,500	-	-	-
Titaanium Ten Enterprise Ltd	10	128,000	1,920,000	-	-	-
Commercial Syn Bags Ltd	10	33,000	792,000	-	-	-
Glaxosmithkline Consumer Healthcare Ltd	10	407	2,098,512	-	-	-
Fortis Healthcare Ltd	10	610,625	110,339,938	-	-	-
TVS SRICHAKRA LTD	10	650	2,272,368	-	-	-
Sakar Healthcare Limited	10	207,000	10,350,000	-	-	-
Talwalkars Better Value Fitness Ltd	10	25,400	6,035,378	-	-	-
REPCO HOME FINANCE LTD	10	3,000	2,009,286	-	-	-
RBL Bank Ltd	10	4,000	1,978,200	-	-	-
ICICI Prudential Life Insurance Company Ltd	10	43,654	15,924,965	-	-	-
Agro Phos India Limited	10	252,000	5,544,000	-	-	-
SUZLON ENERGY LTD	2	5,000	94,569	-	-	-
CLARIS LIFESCIENCES LTD	10	74,020	23,723,410	-	-	-
Mahanagar Gas Ltd	10	100	86,402	-	-	-
Symphony Limited	2	2,200	3,322,166	-	-	-
Vakrangee Limited-\$	1	10,200	3,355,290	-	-	-
InterGlobe Aviation Ltd	10	12,000	11,877,861	-	-	-
Maheshwari Logistics Limited	10	96,000	6,528,000	-	-	-
SONA KOYO STEERING SYSTEMS LTD.	1	85,000	6,888,298	-	-	-
JM FINANCIAL LTD	1	700,000	60,364,481	-	-	-
SOUTH INDIAN BANK LTD	1	3,103,611	44,474,341	-	-	-
MULTI COMMODITY EXCHANGE OF INDIA LTD	10	5,000	5,931,260	-	-	-
Laurus Labs Ltd	10	20,000	10,210,834	-	-	-
BSE LIMITED	2	16,228	14,864,513	-	-	-
Global Education Limited	10	8,000	1,200,000	-	-	-
JITF Infralogistics Ltd	2	463	-	-	-	-
Aegis Logistics Limited	1	13,000	2,529,800	-	-	-
The Ramco Cements Limited	1	2,200	1,431,319	-	-	-
Spicejet Limited	10	30,000	2,732,898	-	-	-
Great Eastern Shipping Co. Limited	10	1,315	493,053	-	-	-
Sintex Industries Limited	1	30,000	3,095,346	-	-	-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of inventories

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
SRF Limited	10	4,585	7,223,995	-	-	-
Tube Investments of India Limited	2	10,648	6,429,731	-	-	-
Shilpa Medicare Limited	1	8,000	5,099,600	-	-	-
KRBL Limited	1	30,619	12,194,728	-	-	-
Rajesh Exports Limited	1	3,715	2,093,475	-	-	-
Oracle Financial Services Software Limited	5	375	1,423,663	-	-	-
Capital First Limited	10	12,000	8,653,335	-	-	-
Triveni Turbine Limited	1	30,000	4,149,321	-	-	-
Gujarat Gas Limited	10	8,442	5,685,932	-	-	-
Larsen & Toubro Infotech Limited	1	7,130	5,075,403	-	-	-
PNB Housing Finance Limited	10	4,300	4,999,548	-	-	-
Music Broadcast Limited	10	80,000	28,551,695	-	-	-
Avenue Supermarts Limited	10	40,000	25,043,223	-	-	-
Chemcrux Enterprises Limited	10	16,000	288,000	-	-	-
Airan Limited	10	36,000	1,620,000	-	-	-
Shankara Building Products Limited	10	29,261	13,460,060	-	-	-
			<u>784,116,754</u>			<u>906,557,269</u>
Warrants (quoted)						
Housing Development Finance Corporation Limited	0.05	379,600	54,839,099	1	65,700	9,132,300
			<u>54,839,099</u>			<u>9,132,300</u>
Mutual funds (quoted)						
Goldman Sachs Mutual Fund - CPSE ETF - Growth Option	10	6,958,014	196,204,478	10	4,316	85,072
Motilal Oswal Most Shares Midcap 100 ETF - Growth Option	-	-	-	10	141,679	1,813,523
Motilal Oswal Most Shares Nasdaq 100 ETF	-	-	-	10	80,546	23,287,664
Motilal Oswal Most Shares Midcap 50 ETF - Growth Option	7	14,183	1,213,985	7	31,902	2,298,888
Goldman Sachs Banking Index Exchange Traded Scheme	-	-	-	10	428	695,654
Goldman Sachs Nifty Junior Exchange Traded Scheme	-	-	-	1	15,004	2,785,904
R Shares Banking Exchange Traded Fund	-	-	-	10	78	131,671
SBI Mutual Fund - SBI Sensex ETF	-	-	-	10	1	267
ICICI Prudential Mutual Fund - ICICI Prudential Nifty ETF	-	-	-	10	4,097	319,282
Edelweiss Mutual Fund - Edelweiss Exchange Traded Scheme - Nifty	10	466	4,066,774	10	935	7,344,425
LIC Nomura MF Exchange Traded Fund- Nifty 50- Growth Plan- Growth	-	-	-	10	39,466	2,877,245
Kotak Mahindra Mutual Fund - Kotak PSU Bank ETF	-	-	-	10	12,417	3,044,228
Edelweiss ETF - Nifty Bank	10	1,635	2,793,481	10	1,524	2,437,486
Kotak Mahindra MF -Kotak Banking ETF	-	-	-	10	2,826	446,474
SBIETF Nifty Bank	-	-	-	10	2	327
SBIETF Nifty Next 50	-	-	-	10	2	383
Edelweiss Mutual Fund - Edelweiss Exchange Traded Scheme - Nifty	10	29,379	6,351,740	-	-	-
Motilal Oswal Mutual Fund - Motilal Oswal MOST Shares Midcap 100 ETF- Growth option	10	18,635	314,212	-	-	-
Kotak Mahindra Mutual Fund - Kotak Nifty ETF	10	3,238	2,942,671	-	-	-
Goldman Sachs PSU Bank Exchange Traded Scheme	10	565	204,386	-	-	-
KOTAK MAHINDRA MUTUAL FUND	10	1,231	354,709	-	-	-
IDFC Mutual Fund - IDFC Nifty ETF	10	5,600	477,480	-	-	-
SBI - ETF 10 YEAR GILT	10	5,000	804,572	-	-	-
Edelweiss Liquid Fund - Super Institutional Plan	10	69,440	1,346,970	-	-	-
Reliance ETF Sensex	10	2,271	675,879	-	-	-
Birla Sun life Sensex ETF	10	360	105,894	-	-	-
Reliance ETF Junior BeES	1	15,913	4,015,650	-	-	-
Reliance ETF Bank BeES	10	900	1,923,647	-	-	-
SBI-ETF Nifty 50	10	3,776	349,356	-	-	-
			<u>224,145,884</u>			<u>47,568,493</u>
Preference shares (quoted)						
Zee Entertainment Enterprises Ltd	10	704,891	6,661,220	-	-	-
			<u>6,661,220</u>			<u>-</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of inventories

	As at 31 March 2017			As at 31 March 2016		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Mutual funds (Unquoted)						
Birla Sun Life Small & Midcap Fund Growth-Regular Plan	-	-	-	10.00	964,487.57	23,204,221
Sundaram S.M.I.L.E.Fund Regular Plan-Growth	-	-	-	10.00	345,094.14	22,008,206
Edelweiss Liquid Fund - Growth Option	-	-	-	10.00	928.07	1,346,970
SBI Magnum Midcap Fund -Regular Plan -Growth	-	-	-	10.00	411,449.34	23,847,727
			<u>-</u>			<u>70,407,124</u>
Debentures and bonds (quoted)						
14.00% Panyam Cements & Mineral Industries Limited 31.03.2021 NCD	-	-	-	1,000,000	64	64,000,000
10.00% Abellon Energy Limited 04.11.2019 NCD	-	-	-	1,000,000	129	128,420,384
9.00% Gonibedu Coffee Estate Private Limited 14.05.2017 NCD	-	-	-	10,000,000	22	220,000,000
EDELWEISS FINANCE & INVESTMENTS LTD - C8F501 NCD	-	-	-	100,000	46	4,529,444
ECL Finance Ltd-K5L201 NCD	-	-	-	100,000	200	27,230,297
ECLFINANCE LTD - G7K401 NCD	-	-	-	100,000	25	2,334,375
ECL Finance Ltd-LSB301 NCD	-	-	-	100,000	215	26,763,745
ECLFINANCE LTD - I7B601A NCD	-	-	-	100,000	30	3,015,369
ECL Finance Ltd-B6E301 NCD	-	-	-	100,000	65	9,969,829
ECL Finance Ltd-K5K203 NCD	-	-	-	100,000	100	13,896,698
ECLFINANCE LTD - B9H602A NCD	-	-	-	100,000	100	10,031,550
ECL Finance Ltd-LSB201 NCD	-	-	-	100,000	50	8,434,263
ECLFINANCE LTD - B7L301	100,000	75	11,377,450	-	-	-
ECLFINANCE LTD - I7A601C	100,000	106	11,804,130	-	-	-
ECLFINANCE LTD - K7C603A	100,000	50	5,408,632	-	-	-
			<u>28,590,212</u>			<u>518,625,954</u>
Debentures and bonds (unquoted)						
14.50% GVK Energy Limited 31.07.2018 NCD	-	-	-	10,000,000	45	450,000,000
14.00% Panyam Cements & Mineral Industries Limited 31.03.2021 NCD	1,000,000	191	191,000,000	-	-	-
10.00% Abellon Energy Limited 04.11.2019 NCD	1,000,000	18	17,937,630	-	-	-
MENORA DEVELOPERS & INFRASTRUCTURE PRIVATE LIMITED	10,000,000	2	1,824,946	10,000,000	2	20,000,000
14.00% ORBIT CORPORATION LIMITED 30.09.2015 NCD	3,816,714	140	534,340,000	-	-	-
13.00% PEGASUS VENTURES PRIVATE LIMITED 16.03.2022 NCD	10,000,000	50	500,000,000	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 28.04.2017 CP	500,000	2,500	1,244,335,545	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 18.04.2017 CP	500,000	100	49,856,690	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 27.06.2017 CP	500,000	2,000	983,473,954	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 16.05.2017 CP	500,000	2,000	991,998,804	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 15.05.2017 CP	500,000	3,000	1,487,782,667	-	-	-
EDELWEISS COMMODITIES SERVICES LIMITED 29.05.2017 CP	500,000	2,000	989,185,458	-	-	-
Edelweiss Financial Services Limited 06.04.2016 CP	-	-	-	500,000	2,000	999,561,667
Edelweiss Commodities Services Limited 29.04.2016 CP	-	-	-	500,000	3,100	1,540,165,162
Edelweiss Commodities Services Limited 16.05.2016 CP	-	-	-	500,000	2,000	989,146,196
Edelweiss Commodities Services Limited 28.04.2016 CP	-	-	-	500,000	2,000	993,857,500
Edelweiss Commodities Services Limited 27.05.2016 CP	-	-	-	500,000	100	49,262,274
Edelweiss Commodities Services Limited 23.05.2016 CP	-	-	-	500,000	1,000	493,661,887
Edelweiss Commodities Services Limited 26.05.2016 CP	-	-	-	500,000	100	49,276,259
Edelweiss Commodities Services Limited 27.04.2016 CP	-	-	-	500,000	2,500	1,242,784,758
ECL Finance Ltd-B6K201 NCD	-	-	-	100,000	27	4,022,897
ECLFINANCE LTD - C6L502A NCD	-	-	-	100,000	79	7,463,920
EDELWEISS FINANCE & INVESTMENTS LTD - C6L503B NCD	-	-	-	100,000	79	8,958,600
ECLFINANCE LTD - B6H501B NCD	-	-	-	100,000	31	5,131,740
			<u>6,991,735,694</u>			<u>6,853,292,860</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2017	As at 31 March 2016
2.15 Trade receivables		
<i>Debtors outstanding for a period exceeding six months</i>		
Unsecured, considered doubtful	31,932,714	804,510
Less: Provision for doubtful debts	<u>31,932,714</u>	<u>804,510</u>
	-	-
<i>Other debts</i>		
Unsecured, considered good	1,024,839,761	48,229,071
	<u>1,024,839,761</u>	<u>48,229,071</u>
2.16 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	2,090	-
Balances with banks		
- in current accounts	5,990,542	18,401,680
Other bank balances		
- in fixed deposits with bank (refer note 2.34)	50,000,000	50,000,000
- in escrow account with bank (refer note 2.40)	507,671,782	627,123,966
	<u>563,664,414</u>	<u>695,525,646</u>
2.17 Short-term loans and advances		
Loans to related parties	5,918,401,811	-
Other loans and advances		
Rental deposits	-	752,900
Advances to others	4,900,000	-
Deposits- others	-	100,000
Prepaid expenses	3,562,384	1,526,374
Vendor advances	2,949,199	742,504
Intercompany deposits placed	-	27,108,954
Cenvat and VAT assets	7,823,947	8,423,326
Advance income taxes (net of provision for taxation)	2,042,765	37,001,347
MAT credit entitlement	165,148,621	139,737,042
Advances recoverable in cash or in kind or for value to be received	2,699,483	-
	<u>6,107,528,210</u>	<u>215,392,447</u>
2.18 Other current assets		
Accrued interest on fixed deposits	9,795	10,233
Accrued interest on inter-corporate deposits	-	9,502,753
Accrued interest on debt instruments	75,739,958	224,489,149
Accrued interest on loans given	6,596,463	2,903
Accrued interest on margin	52,479	62,917
Dividend receivable	248,524	248,524
Equity index/stock options premium account	-	4,324,519
Margin placed with broker	147,448,213	145,219,080
	<u>230,095,432</u>	<u>383,860,078</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
2.19 Fee and commission income		
Income from securities broking	6,765,893	7,148,396
Advisory and other fees	243,046,800	160,400,000
	249,812,693	167,548,396
2.20 Income from treasury operations and investments		
Loss on trading of securities (net)	(335,969,796)	(1,336,385,146)
Profit on trading in equity derivative instruments (net)	50,897,021	358,591,629
Loss on trading in commodity derivative instruments (net)	-	(88,252,472)
Profit on trading in currency derivative instruments (net)	21,914,062	32,156,601
Loss on trading in interest rate derivative (net)	(26,735,435)	(45,967,493)
Profit on sale of long term investment	82,227,746	1,304,270
Dividend on inventories	21,555,108	157,231,602
Dividend on long term Investment	451,521	2,229,172
Share of loss in partnership firm (net)	(23,617,233)	(11,034,334)
Cost of benchmark linked debentures	10,184,217	-
	(199,092,789)	(930,126,171)
2.21 Interest income		
On loan to subsidiary	94,733,631	32,639,016
On intercorporate deposits	13,138,667	3,261,987
On fixed deposits	4,135,009	25,268,064
On debt instrument	1,991,323,481	2,882,337,729
On margin with brokers	1,462,928	1,831,447
On others	-	23,074,994
	2,104,793,716	2,968,413,237
2.22 Other income		
Provision for doubtful debts, advances, excess provision written back	2,277	4,785,063
Miscellaneous income	13	49,143
Interest income - others	-	7,429,274
	2,290	12,263,480



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
2.23 Employee benefit expenses		
Salaries and wages	162,330,054	294,273,204
Contribution to provident and other funds	2,555,598	2,106,529
Staff welfare expenses	4,180,215	1,593,719
	<u>169,065,867</u>	<u>297,973,452</u>
2.24 Finance costs		
Interest on term loan	117,927,275	607,705
Interest on bank overdraft	44,423,288	-
Interest on loan from holding company	1,463,857	1,064,325,012
Interest on loan from fellow subsidiaries	1,409,092,519	337,733,628
Interest - others	76,762,382	40,911,346
Discount on commercial paper	144,662,232	-
Financial and bank charges	20,378,078	-
	<u>1,814,709,631</u>	<u>1,443,577,691</u>



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2017	For the year ended 31 March 2016
2.25 Other expenses		
Advertisement and business promotion	908,354	73,129
Auditors' remuneration (refer note below)	588,500	389,200
Bad- debts written off	1	3,932,600
Commission and brokerage	49,603	66,293
Communication	2,261,083	2,685,976
Computer expenses	85,632	-
Computer software	6,651,052	2,964,429
Clearing and custodian charges	486,156	370,616
Dematerialisation charges	138,184	-
Directors' sitting fees	90,000	120,000
Contribution towards corporate social responsibility (refer note 2.41)	100,000	50,000
Electricity charges (refer note 2.38)	1,549,599	2,209,519
Foreign exchange loss (net)	57,691	-
Insurance	1,411	-
Legal and professional fees	10,931,563	7,749,260
Loss on sale/ write-off of fixed assets (net)	19,188	-
Membership and subscription	287,298	2,473,693
Office expenses	290,886	1,176,583
Postage and courier	58,571	-
Printing and stationery	56,198	81,559
Provision for doubtful debts	31,128,204	-
Rates and taxes	464,317	1,097,733
Rating support Fees	5,000,000	-
Rent (refer note 2.38)	15,105,321	17,389,572
Repairs and maintenance - Building	12,690	-
Repairs and maintenance - others	1,165,394	5,000
ROC expenses	10,400	2,400
Security transaction tax	41,869,689	62,406,482
Seminar and conference expenses	-	11,000
Service tax expenses	9,239,616	11,403,326
Stamp duty	117,658	76,402
Stock exchange expenses	278,516	53,069
Transportation charges	-	64,000
Travelling and conveyance	5,665,554	4,309,771
Warehousing charges	-	9,476
Miscellaneous expenses	-	66,838
Housekeeping and security charges	1,671,300	627,018
	136,339,629	121,864,944

Note:-

Auditors' remuneration:

As auditor	566,000	370,000
For out of pocket expenses	22,500	19,200
	588,500	389,200



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.26 Segment reporting

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Income from treasury operations, income from investments and dividend income
Agency business	Broking and advisory services

Income for each segment has been specifically identified. Expenditures, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Accounting Standard -17 on Segment Reporting:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
I Segment revenue		
a) Capital based business	1,905,703,217	6,072,331,643
b) Agency business	249,812,693	171,434,890
c) Unallocated	-	7,478,417
Total	2,155,515,910	6,251,244,950
Less : Inter segment revenue	-	-
Total income	2,155,515,910	6,251,244,950
II Segment results		
a) Capital based business	(176,880,247)	302,756,876
b) Agency business	191,058,712	151,472,517
c) Unallocated	(474,717)	6,378,284
Total	13,703,748	460,607,676
Profit before taxation	13,703,748	460,607,676
Less : Provision for taxation	(4,782,993)	(38,379,863)
Profit after taxation	18,486,741	498,987,539
Particulars	As at 31 March 2017	As at 31 March 2016
III Segment assets		
a) Capital based business	25,642,425,926	17,790,961,174
b) Agency business	31,218,070	23,936,119
c) Unallocated	438,305,174	372,434,586
Total	26,111,949,170	18,187,331,879
IV Segment liabilities		
a) Capital based business	23,456,884,576	15,580,557,291
b) Agency business	17,149,776	6,696,503
c) Unallocated	119,509,279	100,159,287
Total	23,593,543,631	15,687,413,080
V Capital expenditure (Including capital work-in-progress)		
a) Capital based business	15,175,827	49,979,735
b) Agency business	1,989,352	1,411,035
Total	17,165,179	51,390,770
VI Depreciation and amortisation		
a) Capital based business	19,182,465	10,249,862
b) Agency business	2,514,570	289,375
Total	21,697,035	10,539,237
VII Significant non-cash expenses other than depreciation and amortisation		
a) Capital based business	1,946,805	4,781,205
b) Agency business	31,383,405	134,984
Total	33,330,210	4,916,189



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties

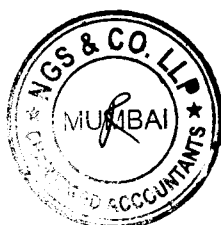
In accordance with Accounting Standard 18 on Related party transactions notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i. List of related parties and relationship:

Name of related parties by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Name of related parties over whom control is exercised	Edelcap Securities Limited Edelweiss Retail Finance Limited Edelweiss Finvest Private Limited (Formerly known as Arum Investment Private Limited) Burlington Business Solutions Limited (from 9 March 2017) Auris Corporate Centre Limited (from 9 March 2017) Olive Business Centre Limited (from 9 March 2017) Eternity Business Centre Limited (from 9 March 2017) Serenity Business Park Limited (from 9 March 2017)
Fellow subsidiaries (with whom transactions have taken place)	ECL Finance Limited EC Commodity Limited Edelweiss Commodities Services Limited Edelweiss Global Wealth Management Limited Edel Investments Limited EFSL Trading Limited Edelweiss Finance & Investments Limited Edelweiss Securities Limited Edelweiss Broking Limited Edelweiss Business Services Limited (Formerly known as Edelweiss Web Services Limited) Edelweiss Agri Value Chain Limited Edelweiss Investment Adviser Limited Edelweiss Asset Management Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Custodial Services Limited Edelweiss Multi Strategy Fund Advisors LLP Edelweiss Trustee Services Limited Edelweiss Wealth Advisors LLP EW Clover Scheme
Name of related parties over whom significant influence is exercised	
Key Management Personnel (with whom transactions have taken place)	Jalpa Jadhav (to 29 September 2017)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
1	Capital account transactions during the year Investment in equity shares of	Edelweiss Finvest Private Limited Edelweiss Asset Management Limited Edelweiss Asset Reconstruction Company Limited	2,382,504 315,000,000 446,425,675	364,779,740 - -



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
2	Purchase of equity shares from	Edelweiss Securities Limited Edelweiss Broking Limited Edelweiss Finvest Private Limited Edelweiss Commodities Services Limited	201,075,715 176,872,071 172,293,073 422,227,946	- - - -
3	Investment in preference shares of	Edelcap Securities Limited Edelweiss Finvest Private Limited	- 99,861,808	1,120,000,000 8,374,600
4	Investment in debentures of	Edelweiss Finvest Private Limited	17,207,872	-
	Current account transactions during the year			
5	Short term loans taken from	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edelweiss Finance & Investments Limited	84,004,901 61,817,232,824 450,000,000	11,985,072,953 18,258,187,000 -
6	Short term loans repaid to (refer note below)	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edel Investments Limited Edelweiss Finance & Investments Limited EFSL Trading Limited	279,269,821 68,741,396,897 - 450,000,000 500,000,000	22,249,617,172 12,119,500,000 500,000 - -
7	Long term loans given to (refer note below)	Edelcap Securities Limited	-	720,000,000
8	Long term loans repaid by (refer note below)	Edelcap Securities Limited	500,000	719,500,000
9	Short term loans given to (refer note below)	Edelweiss Commodities Services Limited	6,000,500,000	-
10	Short term loans repaid by (refer note below)	Edelweiss Commodities Services Limited	78,900,000	-
11	Nomination deposits received from	Edelweiss Financial Services Limited	200,000	100,000
12	Nomination deposits received returned back	Edelweiss Financial Services Limited	200,000	200,000
13	Nomination deposits paid	Edelcap Securities Limited	-	200,000
14	Nomination deposits paid received back	Edelcap Securities Limited	-	400,000
15	Share of loss in partnership firm	Edelweiss Wealth Advisors LLP	10,050,598	8,701,911
16	Margins placed with (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	1,275,305,617 147,824,406	974,617,350 -
17	Margins withdrawn from (refer note below)	Edelweiss Securities Limited Edelweiss Custodial Services Limited	2,112,961,222 23,207,751	1,013,410,100 -



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
18	Purchase of debt securities from	Edelweiss Finance & Investments Limited	23,271,450	19,280,613
		ECL Finance Limited	1,132,097,492	2,253,002,342
		Edelweiss Commodities Services Limited	100,348,165,810	7,713,503,222
		Edelweiss Financial Services Limited	3,732,667,500	-
		Edelweiss Asset Reconstruction Company Limited	180,000,000	-
		Edelcap Securities Limited	525,027,397	-
19	Sale of debt securities to	Edelweiss Finance & Investments Limited	105,065,479	621,249,659
		ECL Finance Limited	1,310,520,593	3,122,619,183
		Edelweiss Commodities Services Limited	44,251,364,018	7,606,969,569
		Edelweiss Agri Value Chain Limited	1,000,000,000	-
20	Purchase of commodities from	Edelweiss Commodities Services Limited	-	3,916,681,950
21	Redemption of nifty link debentures	ECL Finance Limited	5,139,200,000	7,388,000,000
		Edelweiss Finance & Investments Limited	827,500,000	3,462,000,000
		Edelweiss Commodities Services Limited	2,000,000,000	-
22	Brokerage earned from	Edelweiss Securities Limited	6,765,893	7,148,396
23	Advisory fee income from	Burlington Business Solutions Limited	500,000	-
		Auris Corporate Centre Limited	500,000	-
		Olive Business Centre Limited	1,000,000	-
		Eternity Business Centre Limited	1,000,000	-
		Serenity Business Park Limited	1,000,000	-
24	Net amount incurred on settlement of forward contracts	Edelweiss Business Services Limited	-	5,085,000
		Edelweiss Investment Adviser Limited	-	18,180,000
		EFSL Trading Limited	-	4,005,000
		Edelweiss Global Wealth Management Limited	-	21,112,472
25	Interest income on margins placed with	Edelweiss Custodial Services Limited	218,688	-
		Edelweiss Securities Limited	1,244,240	1,831,447
26	Interest income on debt instrument of	Edelweiss Finvest Private Limited	45,708,410	45,708,411
		ECL Finance Limited	900,501,556	1,726,177,550
		Edelweiss Finance & Investments Limited	79,216,537	282,962,172
		Edelweiss Commodities Services Limited	298,924,713	43,159,044
		Edelweiss Agri Value Chain Limited	2,291,000	-
27	Interest income on loans given to	Edelweiss Commodities Services Limited	94,719,041	-
		Edelcap Securities Limited	14,590	32,639,016
28	Cost reimbursements recovered from	Edelweiss Trustee Services Limited	100,000	-



ECap Equities Limited

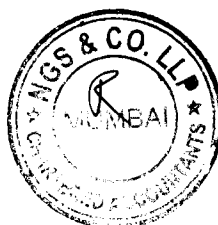
Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
29	Reimbursements received from	EFSL Trading Limited Edelweiss Financial Services Limited	209,966 11,547,874	- -
30	Interest expense on loans taken from	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edel Investments Limited EFSL Trading Limited Edelweiss Finance & Investments Limited	1,463,857 1,354,170,601 - 54,034,247 887,671	1,064,325,012 280,207,392 26,236 57,500,000 -
31	Reimbursements paid to	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edelweiss Business Services Limited	122,593,504 72,077,332 155,108,150	154,408,433 45,601 4,323,310
32	Cost reimbursements paid to	Edelweiss Securities Limited Edelweiss Asset Management Limited Edelweiss Commodities Services Limited Edelweiss Broking Limited Edelweiss Financial Services Limited Edelweiss Business Services Limited Eternity Business Centre Limited	16,903 - 1,636,590 8,512,136 1,350,698 65,017 1,311,705	- 2,326,343 12,678,859 5,437,518 13,212,500 - -
33	Clearing charges paid to	Edelweiss Securities Limited Edelweiss Custodial Services Limited	270,025 40,250	295,000 -
34	Brokerage paid to	Edelweiss Securities Limited	1,061,497	31,446,508
35	Contribution in partnership firm through current account	Edelweiss Wealth Advisors LLP	25,201,911	3,333,000
36	Processing fees paid to	Edelweiss Business Services Limited	27,700	62,520
37	Rating support fees paid to	Edelweiss Financial Services Limited	5,000,000	-
38	Interim equity dividend paid to	Edelweiss Financial Services Limited	-	150,000,000
39	Preference shares dividend paid to	Edelweiss Financial Services Limited ECL Finance Limited	1,260,000 1,260,000	- -
40	Remuneration paid to	Jalpa Jadhav	224,385	-
	Balances with related parties			
41	Short term loans taken from	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited EFSL Trading Limited	- - -	195,264,920 6,927,362,262 500,000,000



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
42	Stock in trade - debentures and bonds	ECL Finance Limited	28,590,212	118,294,683
		Edelweiss Finance & Investments Limited	-	13,488,044
		Edelweiss Commodities Services Limited	5,746,633,118	5,358,154,036
		Edelweiss Financial Services Limited	-	999,561,667
43	Trade payables to	Edelweiss Securities Limited	775,717,892	-
		Edelweiss Broking Limited	-	5,747,509
		Edelweiss Business Services Limited	105,234	42,359
		Edelweiss Commodities Services Limited	270,000	339,828
		Edelweiss Asset Management Limited	-	2,431,029
44	Advances payable to	Edelcap Securities Limited	161,000	-
		Edelweiss Asset Reconstruction Company Limited	528,000	-
		EFSL Trading Limited	231,000	-
		Edelweiss Multi Strategy Fund Advisors LLP	8,000	-
45	Interest payable on loans taken from	Edelweiss Financial Services Limited	-	9,535,116
		Edelweiss Commodities Services Limited	139,472,870	73,172,526
		Edelweiss Finance & Investments Limited	27,740	-
		EFSL Trading Limited	3,782,398	2,813,730
46	Nomination deposits payable to	Edelweiss Financial Services Limited	100,000	100,000
47	Investments in equity shares of	Edelweiss Finvest Private Limited	416,301,389	413,918,885
		Edelcap Securities Limited	13,000,000	13,000,000
		Edelweiss Asset Management Limited	315,000,000	-
		Edelweiss Asset Reconstruction Company Limited	446,425,675	-
		Burlington Business Solutions Limited	201,075,715	-
		Auris Corporate Centre Limited	176,872,071	-
		Olive Business Centre Limited	172,293,073	-
		Eternity Business Centre Limited	209,371,049	-
		Serenity Business Park Limited	212,856,897	-
48	Investments in preference shares of	Edelweiss Finvest Private Limited	3,350,896,180	3,251,034,372
		Edelcap Securities Limited	1,620,000,000	1,620,000,000
49	Investments in debentures of	Edelweiss Finvest Private Limited	356,967,581	339,759,709
50	Investments in venture funds of	EW Clover Scheme	125,000,000	125,000,000
51	Investment in partnership firm	Edelweiss Wealth Advisors LLP	33,000	33,000
52	Partner's current account - credit balance	Edelweiss Wealth Advisors LLP	-	5,368,911
53	Partner's current account - debit balance	Edelweiss Wealth Advisors LLP	9,782,402	-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2017	For the year ended 31 March 2016
54	Trade receivables from	Edelweiss Securities Limited	-	4,348,004
		Edelweiss Financial Services Limited	-	50,898
		EFSL Trading Limited	241,463	-
		Edelcap Securities Limited	-	242,000
		Burlington Business Solutions Limited	525,000	-
		Auris Corporate Centre Limited	525,000	-
		Olive Business Centre Limited	1,050,000	-
		Eternity Business Centre Limited	1,050,000	-
		Serenity Business Park Limited	1,050,000	-
		Edelweiss Trustee Services Limited	105,000	-
55	Short term loans given to	Edelweiss Commodities Services Limited	5,918,401,811	-
56	Long term loans given to	Edelcap Securities Limited	-	500,000
57	Advances receivable from	Edelweiss Financial Services Limited	1,135,483	-
		Edelweiss Securities Limited	884,000	-
		Edelweiss Finance & Investments Limited	334,000	-
		Edelweiss Broking Limited	41,000	-
		EC Commodity Limited	305,000	-
58	Interest receivable on debt instruments of	Edelweiss Finvest Private Limited	22,791,591	22,488,538
59	Interest receivable on loans given to	Edelweiss Commodities Services Limited	6,596,463	-
		Edelcap Securities Limited	-	2,903
60	Interest receivable on margins placed with	Edelweiss Securities Limited	12,918	62,917
		Edelweiss Custodial Services Limited	39,561	-
61	Margins placed with	Edelweiss Securities Limited	22,831,557	145,219,080
		Edelweiss Custodial Services Limited	124,616,656	-

Note: (1) Loan given/taken to/from related parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.

(2) Disclosure under section 186(4) of the Companies Act, 2013 for loans and guarantee : Loans have been given for general business purpose.



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.28 Earnings per share

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

	Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
(a)	Profit after tax (as per statement of profit and loss)	18,486,741	498,987,539
	Less: dividend on preference share capital	-	3,033,013
	Net profit for the year attributable to equity shareholders	18,486,741	495,954,526
(b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	240,000	240,000
	Number of Shares issued during the year	-	-
	Total number of equity shares outstanding at the end of the year	240,000	240,000
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	240,000	240,000
(c)	Basic and diluted earnings per share (in rupees) (a)/(b)	77.03	2,066.48

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

2.29 Foreign currency transaction

The Company has incurred an amount of Rs. 4,636,179/- (Previous year: Rs. Nil) in foreign currency towards Staff Training Expenses.



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.30 The following currency futures have open interests as on the balance sheet date:
Open interests currency futures-USD INR as on the balance sheet date

Sr. No.	Name of future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Short position	20,000	20,000,000	-	-

Open interests Interest rate futures-IRC as on the balance sheet date

Sr. no.	Name of future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	1,897	3,794,000	-	-
2	Short position	2,137	4,274,000	3,954	7,908,000

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

Name of currency option	Total premium carried forward	
	As at 31 March 2017	As at 31 March 2016
USDINR	(4,383,000)	-

The following equity index/stock futures have open interests as on the balance sheet date:

Sr. no.	Name of future	As at 31 March 2017		As at 31 March 2016	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	-	-	1,185	3,169,230
2	Short position	57	599,253	1,320	700,600

The following equity index/stock option contracts are outstanding as on balance sheet date:

Particulars	As at 31 March 2017	As at 31 March 2016
Total premium carried forward (Net of provision made)	(8,987,509)	(118,128,486)



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

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

(i) Commodities

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
<u>Opening stock</u>		
Bullion	-	-
Agri	-	-
	-	-
<u>Purchase</u>		
Bullion	-	3,916,681,950
Agri	-	-
	-	3,916,681,950
<u>Sales</u>		
Bullion	-	4,033,146,008
Agri	-	-
	-	4,033,146,008
<u>Closing stock</u>		
Bullion	-	-
Agri	-	-
	-	-
Profit/(loss) on trading in commodities (net)	-	116,464,058



ECap Equities Limited

Notes to the financial statements (continued)

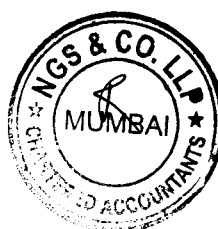
(Currency: Indian Rupees)

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

(ii) Securities

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
<u>Opening stock</u>		
Equity shares	* 858,542,689	1,949,263,409
Less: Stock transfer out	-	(244,939,169)
Debentures, bonds, warrants	7,381,051,112	6,337,184,954
Mutual fund	117,975,617	285,162,835
	8,357,569,418	8,326,672,029
<u>Purchase</u>		
Equity shares	5,483,6432,532	26,821,450,819
Preference shares	7,015,042	-
Debentures, bonds, warrants	427,029,299,924	93,817,554,743
Mutual fund	659,053,041,284	31,766,491,642
Others	274,125	-
	1,140,926,062,907	152,405,497,204
<u>Sales</u>		
Equity shares	55,290,251,787	28,032,309,668
Preference shares	1,100	-
Debentures, bonds, warrants	426,346,979,867	91,151,537,689
Mutual fund	659,220,612,374	31,851,384,987
Others	-	2,982,325
	1,140,857,845,128	151,038,214,669
<u>Closing stock</u>		
Equity shares	*784,116,753	*858,542,689
Preference shares	6,661,220	-
Debentures, bonds, warrants	7,075,165,006	7,381,051,112
Mutual fund	223,874,422	117,975,617
	8,089,817,401	8,357,569,418
Loss on sale of securities (net)	(335,969,796)	(1,336,385,146)

* Includes provision for short sale



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.32 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits:

A) Defined contribution plan (provident fund)

Amount of Rs. 2,555,598/- (Previous year: Rs. 2,106,529/-) is recognised as expenses and included in "Employee benefit" – Notes 2.23 in the statement of profit and loss.

(B) Defined benefit plan (gratuity):

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

Statement of profit and loss of the year

Net employee benefit expenses (recognised in employee cost):

	For the year ended 31 March 2017	For the year ended 31 March 2016
Current service cost	1,450,327	1,314,000
Interest on defined benefit obligation	650,000	502,000
Actuarial loss/(gain)	(113,000)	2,054,000
Total included in employee benefit expenses	1,987,327	3,870,000

Balance sheet

Details of provision for gratuity:

	For the year ended 31 March 2017	For the year ended 31 March 2016
Liability at the end of the year	9,478,327	9,155,000
Amount in balance sheet	9,478,327	9,155,000

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

	For the year ended 31 March 2017	For the year ended 31 March 2016
Liability at the beginning of the year	9,155,000	2,078,000
Transfer in/(out)	(368,000)	4,356,000
Interest cost	650,000	502,000
Current service cost	1,450,327	1,314,000
Benefits Paid	(1,296,000)	(1,149,000)
Actuarial (gain)/loss on obligations	(113,000)	2,054,000
Liability at the end of the year	9,478,327	9,155,000

Non-current liability at the end of the year 8,140,000/-

Current liability at the end of the year 1,338,327/-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.32 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits (continued)

Amount recognised in the balance sheet:

	31 March 2017	31 March 2016	31 March 2015	For the year ended	
				31 March 2014	31 March 2013
Liability at the end of the year	9,478,327	9,155,000	2,077,856	1,016,000	599,840
Fair value of plan assets at the end of year	-	-	-	-	-
Amount recognized in balance sheet	9,478,327	9,155,000	2,077,856	1,376,820	599,840

Experience adjustment:

	31 March 2017	31 March 2016	31 March 2015	For the year ended	
				31 March 2014	31 March 2013
On plan liabilities (gain)/loss	(426,000)	1,879,000	(365,000)	220,000	212,887
On plan assets (gain)/loss	-	-	-	-	-
Estimated contribution for next year	-	-	-	-	-

Principle actuarial assumptions at the balance sheet date:

	For the year ended 31 March 2017	For the year ended 31 March 2016
Discount rate current	6.80%	7.40%
Salary escalation current	7.00%	7.00%
Employees attrition rate	13%-25%	13%-25%



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.33 Contingent liabilities and commitments

Contingent liabilities

1. The Company has pending taxation matters of Rs 33,017,983/- as at balance sheet date (Previous year: Rs. 6,845).
2. The Company has received demand notice/s from tax authorities on account of disallowance of expenditure under Section 14A of Income Tax Act, 1961, read with Rule 8D of Income Tax Rules, 1962, the Company has filed appeal/s and is defending its position. Due to lack of clarity on the legal position relating to application of Rule 8D, the outcome and quantification of the eventual tax liability on the Company, if any, at this stage cannot be estimated. The Company has been advised by its tax counsel that it has a good chance in sustaining its position.

Commitments

The Company has capital commitments of Rs. 1,651,000/- towards fixed assets as at the balance sheet date (Previous year: Rs. 5,563,000/-).

2.34 Additional disclosure on fixed deposits

The Company has pledged fixed deposits aggregating to Rs. 50,000,000 with bank for securing bank overdrafts (Previous year: Rs. 50,000,000)

2.35 Details of secured debentures issued

As at 31 March 2017

(Rs in crores)

Maturity	> 3 years	1-3 years	<1 year	Total
Benchmark linked debentures	-	122.74	-	122.74

2.36 Details of term loan from other parties as at 31st March 2017

(Rs in crores)

Rate of Interest	< 1 year	1-3 years	> 3 years	Total
9.60% to 10.11%	-	120.50	10.50	131.00
11%	-		200.00	200.00



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.37 Operating leases

The Company has taken various premises on operating lease. Gross rental expenses for the year ended 31 March 2017 aggregated to Rs. 42,34,128 (Previous year: Rs. 1,358,025) which has been included under the head Operating expenses – Rent under note 2.25 in the statement of profit and loss.

Details of future minimum lease payments for the non-cancellable operating lease are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
Minimum lease payments for non cancellable lease		
- not later than one year	1,105,195	-
- later than one year and not later than five years	1,441,122	-
- later than five years	-	-
Total	2,546,317	-

Future minimum lease payments for the non-cancellable operating lease are before sharing of expenses with group companies

2.38 Cost sharing

Edelweiss Financial Services Limited, being the holding company along with fellow subsidiaries incurs expenditure like common senior management compensation cost, rating fees, rent expenditure, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, time spent by employees of other companies; actual identifications etc the expenditure heads in note 2.25 are gross of the reimbursement.

2.39 Details of dues to micro and small enterprises

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

2.40 Other bank balances

The Company has deposited an amount of Rs. 507,671,782 (Previous year: Rs. 627,123,966) in an escrow account kept with a bank pursuant to an agreement towards purchase of securities of Arum Investments Private Limited.



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.41 Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013,

a) Gross amount required to be spent by the Company during the year was Rs.7,818,012/-

b) Amount spent during the year on:

Sr.No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Constructions/acquisition of any assets	Nil	Nil	Nil
(ii)	On purpose other than (i) above	Rs. 100,000	Nil	Rs. 100,000

The Company is a wholly owned subsidiary/subsidiary of Edelweiss Financial Services Limited. Edelweiss group is conscious of its Corporate Social Responsibility and, had accordingly established a CSR arm, "EdelGive Foundation" in the year 2008. As an amount of Rs. 115,684,300/- (representing more than 2% of the consolidated profit of the group) was spent towards CSR activities during the year ended 31 March 2017, the Company has not incurred the prescribed CSR expenditure on a standalone basis during the year ended 31 March 2017.

2.42 Disclosure on Specified Bank notes (SBN's) pursuant to notification as per amended Schedule III of the Companies Act, 2013:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.43 Previous year comparatives

Previous year figures have been regrouped and rearranged wherever necessary.

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
16 May 2017



For and on behalf of the Board of Directors



T.K. Ramaswamy
Director
DIN: 05157099

R. Ganesan
Director
DIN: 07446631



Bhavesh Singh
Company Secretary