

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 2016, 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.



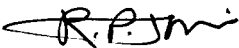
Opinion

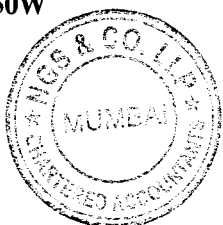
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, 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 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, 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.

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


R. P. Soni
Partner
Membership No.:104796



Place: Mumbai
Date: 10 May 2016

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 2016, 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, the Company does not own immovable properties, accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company has conducted physical verification of inventory on the basis of statement received from depository participants in respect of securities and warehouse receipts in respect of commodities held as inventory, at reasonable intervals during the year. No material discrepancies have been noticed on such physical verification.
- (iii) The Company has granted unsecured loan to one company covered in the register maintained under Section 189 of the Companies Act, 2013.
 - (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 the 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, sales tax, value added 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, 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, sales tax, value added 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, sales tax, value added 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	38,652,160	A.Y. 2012-13	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 financial institution. Further, the Company does not have any loans or borrowings from any bank, government and debenture holders.
- (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 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: 10 May 2016

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 2016 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 2016, 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: 10 May 2016

ECap Equities Limited

Balance Sheet

(Currency : Indian Rupees)

	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	38,400,000	38,400,000
Reserves and surplus	2.2	<u>2,461,518,798</u>	<u>2,146,100,743</u>
		2,499,918,798	2,184,500,743
Non-current liabilities			
Long-term borrowings	2.3	1,100,000,000	-
Long-term provisions	2.4	<u>11,575,000</u>	<u>20,695,295</u>
		1,111,575,000	20,695,295
Current liabilities			
Short-term borrowings	2.5	7,622,627,183	11,755,284,401
Trade payables			
Total outstanding due of Micro, Small and Medium enterprises	2.36	-	-
Total outstanding due of creditors other than Micro, Small and Medium enterprises	2.6	6,352,876,436	1,339,038,359
Other current liabilities	2.7	543,357,860	193,135,591
Short-term provisions	2.8	<u>56,976,601</u>	<u>32,932,601</u>
		14,575,838,080	13,320,390,952
TOTAL		<u>18,187,331,879</u>	<u>15,525,586,990</u>
ASSETS			
Non-current assets			
Fixed assets	2.9		
Tangible assets		16,076,540	2,147,210
Intangible assets		29,590,201	4,902,650
Capital work-in-progress		2,234,652	14,833,716
Non-current investments	2.10	8,221,218,703	4,628,373,092
Deferred tax assets (net)	2.11	48,429,953	18,948,599
Long-term loans and advances	2.12	<u>121,190,588</u>	<u>131,342,860</u>
		8,438,740,637	4,800,548,127
Current assets			
Current investments	2.13	-	798,911,105
Stock-in-trade	2.14	8,405,584,000	8,571,611,198
Trade receivables	2.15	48,229,071	165,908,951
Cash and bank balances	2.16	695,525,646	641,653,846
Short-term loans and advances	2.17	215,392,447	165,124,680
Other current assets	2.18	<u>383,860,078</u>	<u>332,689,938</u>
		9,748,591,242	10,675,899,718
TOTAL		<u>18,187,331,879</u>	<u>15,476,447,845</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

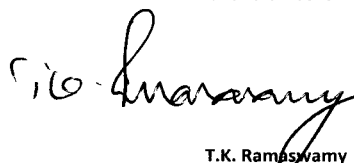
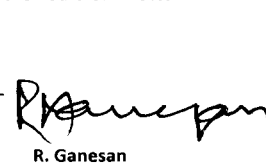
Membership No.: 104796

Mumbai

10 May 2016



For and on behalf of the Board of Directors

T.K. Ramaswamy

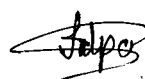
Director

DIN: 05158707

R. Ganesan

Director

DIN: 07446631



Jalpa Jadav

Company Secretary

ECap Equities Limited

Statement of Profit and Loss

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2016	For the year ended 31 March 2015
Revenue from operations			
Fee and commission income	2.19	167,548,396	8,493,725
Income from treasury operations and investments	2.20	(930,126,171)	486,214,931
Interest income	2.21	2,968,413,237	1,346,803,828
Sale of commodities		4,033,146,008	1,378,744,084
Other income	2.22	12,263,480	8,886
Total revenue		6,251,244,950	3,220,265,454
Expenses			
Purchases of commodities		3,916,681,950	1,540,775,274
Employee benefit expenses	2.23	297,973,452	189,694,741
Finance costs	2.24	1,443,577,691	849,435,675
Depreciation and amortisation expenses	2.9	10,539,237	3,360,990
Other expenses	2.25	121,864,944	150,521,661
Total expenses		5,790,637,274	2,733,788,341
Profit before tax		460,607,676	486,477,113
Tax expense:			
Income tax (Includes short provision for earlier years Rs. 618,642 (Previous year: Rs. Nil))		67,531,820	24,391,096
MAT credit entitlement (Includes entitlement for earlier years Rs. 30,123,603 (Previous year Rs. Nil))		(76,430,327)	-
Deferred tax benefit		(29,481,356)	(17,878,128)
Profit for the year		498,987,539	479,964,145

Earnings per equity share:

Basic and diluted (face value Rs. 10 each)	2.28	2,066.48	1,999.85
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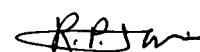
Significant accounting policies and notes to the financial statements. 1 & 2

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W



R. P. Soni

Partner

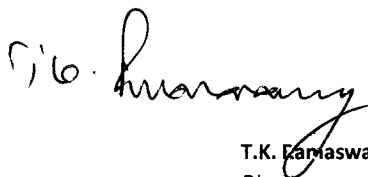
Membership No.: 104796



Mumbai

10 May 2016

For and on behalf of the Board of Directors



T.K. Karaswamy

Director

DIN: 05158707



R. Ganesan

Director

DIN: 07446631



Jalpa Jadav

Company Secretary

ECap Equities Limited

Cash Flow Statement

(Currency: Indian Rupees)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A Cash flow from operating activities		
Profit before taxation	460,607,676	486,477,113
Adjustments for		
Depreciation and amortisation expenses	10,539,237	3,360,990
Provision for doubtful debts/bad debts written-off	-	529
Provision for gratuity and compensated absences	8,123,705	912,000
Profit on sale of Investments	(1,304,270)	(166,717)
Dividend on investment	(2,229,172)	(2,583,066)
Share of loss/(profit) from partnership firm	11,034,334	(36,424,415)
Interest income	(2,915,084,759)	(1,285,437,879)
Interest expense	1,403,014,738	806,186,418
Operating cash flow before working capital changes	(1,025,298,511)	(27,675,027)
Adjustments for working capital changes		
Decrease/(increase) in inventories	166,027,198	(2,615,953,316)
Decrease in trade receivable	117,679,880	25,833,658
(Increase)/decrease in loans and advances	(1,326,508)	1,814,370,714
(Increase)/decrease in other assets	(5,749,886)	48,300,235
(Increase)/decrease in margin placed on trading of securities	(32,052,458)	1,196,545,298
Increase in liabilities and provisions	6,432,384,468	792,206,158
Cash generated from operations	5,651,664,183	1,233,627,720
Income tax paid	(29,390,474)	(46,880,977)
Net cash generated from operating activities - A	5,622,273,709	1,186,746,743
B Cash flow from investing activities		
Purchase of investment	(3,543,706,466)	(5,407,285,112)
Purchase of fixed assets	(36,557,055)	(14,793,769)
Sale of investment	789,181,041	-
Interest received	2,901,906,813	1,075,742,943
Dividend received	2,229,174	2,370,665
Fixed deposit placed	(50,000,000)	-
Deposit placed in escrow account (refer note 2.37)	-	(627,123,966)
Loan given/proceeds from repayment of loan (refer note 2)	(500,000)	1,500,000,000
Receivable from Edelcap Securities Limited	-	(109,464,831)
Net cash generated from/(used in) investing activities - B	62,553,507	(3,580,554,070)
C Cash flow from financing activities		
Repayment of unsecured loans (net) (refer note 2)	(4,132,657,219)	3,188,782,099
Interim dividend, Preference dividend and dividend distribution tax paid	(183,569,484)	-
Interest paid	(1,364,538,861)	(782,792,424)
Net cash (used in)/generated from financing activities - C	(5,680,765,564)	2,405,989,675
Net increase in cash and cash equivalents (A+B+C)	4,061,652	12,182,348
Cash and cash equivalents as at the beginning of the year	14,340,028	2,157,680
Cash and cash equivalents as at the end of the year (refer note 1)	18,401,680	14,340,028

Note:

1 Cash and cash equivalents include the following:

Balances with scheduled banks:

In current accounts

Cash and cash equivalents (refer note 2.16)

18,401,680	14,340,028
18,401,680	14,340,028

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
10 May 2016



For and on behalf of the Board of Directors

T.K. Ramaswamy
Director
DIN: 05158707

R. Ganesan
Director
DIN: 07446631

Jalpa Jadav
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

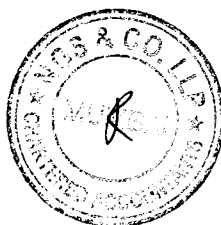
All assets and liabilities are classified into current and non-current.

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.
- Commodities 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.

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.

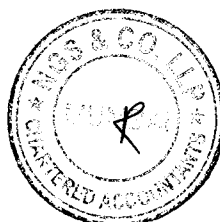
As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the estimated useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II of the Act for calculating the depreciation. The estimated useful lives of the fixed assets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

Class of assets	Useful life
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.

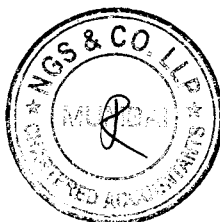
Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

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

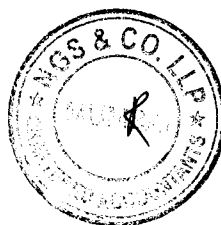
MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.13 *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)

2.1 Share capital

Authorised:

10,000,000 (Previous year: 10,000,000) equity shares of Rs. 10 each
40,000,000 (Previous year: 40,000,000) preference shares of Rs. 10 each

As at
31 March 2016

As at
31 March 2015

100,000,000	100,000,000
400,000,000	400,000,000
500,000,000	500,000,000
<hr/>	
2,400,000	2,400,000
36,000,000	36,000,000
38,400,000	38,400,000
<hr/>	

Issued, subscribed and paid up:

240,000 (Previous year: 240,000) equity shares of Rs. 10 each

3,600,000 (Previous year: 3,600,000), 7% Non-cumulative, non-convertible,
Redeemable preference shares of Rs. 10 each

a. Movement in share capital:

	As at 31 March 2016		As at 31 March 2015	
	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	240,000	2,400,000	240,000	2,400,000
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	3,600,000	36,000,000	3,600,000	36,000,000

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%. 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.

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.

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.

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

	As at 31 March 2016		As at 31 March 2015	
	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%
	240,000	100%	240,000	100%
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%	1,800,000	50%
	3,600,000	100%	3,600,000	100%



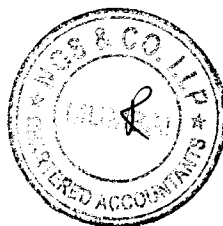
ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.2 Reserves and surplus

	As at 31 March 2016	As at 31 March 2015
Securities premium reserves	1,951,910,070	1,951,910,070
Surplus in statement of profit and loss	194,190,673	(285,773,472)
Add: Profit for the year	498,987,539	479,964,145
Surplus available for appropriation	693,178,212	194,190,673
Appropriations:		
Interim dividend	150,000,000	-
Dividend distribution tax	31,049,484	-
Dividend on preference shares	2,520,000	-
Net surplus in statement of profit and loss	509,608,728	194,190,673
Closing balance	2,461,518,798	2,146,100,743

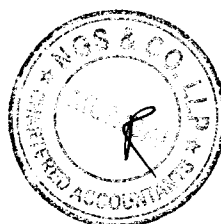


ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2016	As at 31 March 2015
2.3 Long-term borrowings		
<i>Secured</i>		
Term loan from other parties	1,100,000,000	-
(The loan is repayable after the end of 3 years but before the end of 4 years in four equated quarterly installment, at lending rate which shall be the aggregate of base rate and spread for lender, secured against immovable property and hypothecation is created over all current and future, furniture and fittings of borrower and co-borrowers)		
	<u>1,100,000,000</u>	<u>-</u>
2.4 Long-term provisions		
Provision for employee benefits		
Gratuity	7,822,000	1,721,856
Compensated leave absences	1,253,000	384,439
Deferred bonus	2,500,000	18,589,000
	<u>11,575,000</u>	<u>20,695,295</u>
2.5 Short-term borrowings		
<i>Unsecured</i>		
Loans from related parties	7,622,627,183	11,748,984,401
(repayable on demand, at variable rate of interest ranging from 8.47% to 11.50% per annum)		
Loans from others	-	6,300,000
	<u>7,622,627,183</u>	<u>11,755,284,401</u>
2.6 Trade payables		
Trade payables to related parties	8,560,724	3,598,887
Trade payables to non-related parties	6,344,315,712	1,335,439,473
(Including sundry creditors and provision for expenses)		
	<u>6,352,876,436</u>	<u>1,339,038,360</u>
2.7 Other current liabilities		
Interest accrued and due on borrowings	85,521,371	47,045,494
Premium received on exchange traded options	122,453,005	951,726
Other payables		
Accrued salaries and benefits	142,851,586	121,164,329
TDS and other taxes payable	99,247,686	23,768,602
Book overdraft	58,250,334	-
Others	35,033,878	205,440
	<u>543,357,860</u>	<u>193,135,591</u>
2.8 Short-term provisions		
Provision for employee benefits		
Gratuity	1,333,000	356,000
Compensated leave absences	258,000	80,000
Deferred bonus	54,574,000	31,685,000
Others		
Provision for taxation (net of advance tax and tax deducted at source)	811,601	811,601
	<u>56,976,601</u>	<u>32,932,601</u>



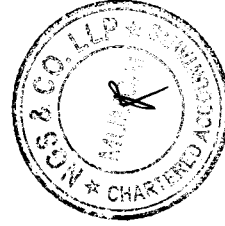
ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.9 Fixed assets

	Gross block				Depreciation			Net block	
Description of assets	As at 1 April 2015	Additions during the year	Deductions / adjustments during the year	As at 31 March 2016	As at 1 April 2015	Charge for the year	Deductions during the year	As at 31 March 2016	As at 31 March 2015
(A) Tangible assets									
Leasehold improvements	-	1,657,585	-	1,657,585	-	290,778	-	290,778	1,366,807
Furniture and fittings	-	547,388	-	547,388	-	117,696	-	117,696	429,692
Motor vehicles	861,674	3,687,503	-	4,549,177	523,604	698,530	-	1,222,134	3,327,043
Office equipments	50,053	623,264	-	673,317	11,076	223,230	-	234,306	38,977
Computers	1,868,485	11,969,284	-	13,837,769	98,322	3,225,460	-	3,323,782	10,513,987
Total : A	2,780,212	18,485,024	-	21,265,236	633,002	4,555,694	-	5,188,696	16,076,540
(B) Intangible asset									2,147,210
Computer software	9,862,442	30,671,094	-	40,533,536	4,959,792	5,983,543	-	10,943,335	29,590,201
Total : B	9,862,442	30,671,094	-	40,533,536	4,959,792	5,983,543	-	10,943,335	4,902,650
Grand total [A+B]	12,642,654	49,156,118	-	61,798,772	5,592,794	10,539,237	-	16,132,031	45,666,741
Previous year	10,275,930	2,366,724	-	12,642,654	2,231,804	3,360,990	-	5,592,794	7,049,860



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments

	As at 31 March 2016			As at 31 March 2015		
	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	10.00	300,000	13,000,000
Arum Investments Private Limited	10	1,700,812	413,918,885	-	-	-
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
Investments in equity instruments of associate company (fully paid up) (unquoted)						
Arum Investments Private Limited	-	-	-	10	297,813	49,139,145
Investments in equity instruments of other companies (fully paid up) (quoted)						
Dhanuka Agritech Limited	-	-	-	2	60,261	27,829,393
Eclerx Services Limited	10	34,432	32,723,572	10	25,824	32,723,572
Kewal Kiran Clothing Limited	-	-	-	10	15,844	27,791,062
Persistent Systems Limited	10	47,018	27,875,535	10	47,018	27,875,535
PTC India Financial Services Limited	10	1,503,353	65,199,574	10	703,353	27,854,698
Repco Home Finance Limited	10	56,835	27,870,709	10	56,835	27,870,709
Credit Analysis and Research Limited	10	32,000	46,084,058	10	32,000	46,084,058
City Union Bank Limited	-	-	-	1	530,000	45,970,486
Ratnamani Metals & Tubes Limited	2	66,589	32,679,597	2	73,600	35,377,090
SRF Limited	10	59,000	65,628,112	10	33,400	32,562,359
Indo Count Industries Limited	10	114,315	52,659,448	10	70,800	31,227,479
WPIL Limited	10	4,799	2,858,379	10	47,568	28,345,170
Balrampur Chini Mills Limited	1	9,956	420,143	-	-	-
HSIL Limited	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	-	-	-
Jindal Saw Limited	2	5,760	349,920	-	-	-
Swaraj Engines Limited	10	2,692	2,202,729	-	-	-
Thermax Limited	2	50,011	46,422,711	-	-	-
The Great Eastern Shipping Company Limited	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	-	-	-
The Phoenix Mills Limited	2	14,058	5,000,886	-	-	-
Zensar Technologies Limited	10	7,602	3,204,209	-	-	-
Federal-Mogul Goetze (India) Limited	10	13,061	5,208,528	-	-	-
Grindwell Norton Limited	5	6,667	5,005,333	-	-	-
Graphite India Limited	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	-	-	-
Avanti Feeds Limited	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	-	-	-
Balmer Lawrie & Company Limited	10	6,067	3,195,628	-	-	-
Vinati Organics Limited	2	10,519	5,710,403	-	-	-
Aarti Drugs Limited	10	7,687	5,118,588	-	-	-
JK Tyre & Industries Limited	2	268,082	18,282,104	-	-	-
Jubilant Life Sciences Limited	1	17,446	2,979,777	-	-	-
Somany Ceramics Limited	2	12,726	5,147,119	-	-	-
Poly Medicure Limited	5	11,970	5,269,844	-	-	-
Welspun Corp Limited	5	39,952	5,182,352	-	-	-
Cyient Limited	5	10,720	5,858,296	-	-	-
State Bank of Mysore	10	11,903	5,732,504	-	-	-
Mahindra Lifespace Developers Limited	10	1,441	664,013	-	-	-
United Spirits Limited	10	8,700	29,141,047	-	-	-
Cera Sanitaryware Limited	5	5,149	10,244,338	-	-	-
Granules India Limited	1	8,910	750,427	-	-	-
Strides Shasun Limited	10	8,292	5,540,827	-	-	-
Indoco Remedies Limited	2	14,042	5,116,727	-	-	-
Gateway Distriparks Limited	10	14,687	5,007,584	-	-	-
Shoppers Stop Limited	5	1,131	459,412	-	-	-
Entertainment Network (India) Limited	10	7,275	5,019,397	-	-	-
GVK Power & Infrastructure Limited	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	-	-	-



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.10 Non-current investments (continued)

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments of other companies (fully paid up) (quoted)						
ICRA Limited	10	1,267	5,297,829	-	-	-
Religare Enterprises Limited	10	14,852	5,120,525	-	-	-
J.Kumar Infraprojects Limited	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	-	-	-
Tree House Education & Accessories Limited	10	12,194	1,560,658	-	-	-
National Buildings Construction Corporation Limited	10	13,902	9,075,091	-	-	-
PC Jeweller Limited	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	-	-	-
Prabhat Dairy Limited	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	5	7,785	-	5	16,831	-
APL Apollo Tubes Limited	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	-	-	-	-
Allcargo Logistics Limited	2	356,000	67,538,647	-	-	-
FIEM Industries Limited	10	101,400	66,050,441	-	-	-
Mahindra Holidays & Resorts India Limited	10	109,300	45,833,669	-	-	-
Orient Green Power Company Limited	10	9,958,791	144,999,997	-	-	-
Investments in warrants (quoted)						
Panyam Cements & Mineral Industries Limited	0.50	164,397	3,477,408	-	-	-
Investments in equity instruments of other companies (fully paid up) (unquoted)						
Peak Minerals and Mining Private Limited	10	175,000	1,750,000	-	-	-
Gentrust Consumer Durables Private Limited	10	420	8,505,000	-	-	-
Samunnati Financial Intermediation & Services Private Limited	10	61,142	40,000,319	-	-	-
Investments in preference shares of subsidiary companies (fully paid up) (unquoted)						
Edelcap Securities Limited	10	1,570,000	1,620,000,000	10	450,000	500,000,000
Arum investments Private Limited	10	20,758,908	3,251,034,372	10	20,726,698	3,242,659,772
Investments in preference shares of other companies (fully paid up) (unquoted)						
Gentrust Consumer Durables Private Limited	100	148	40,000,000	-	-	-
Mapoline Realtors Consultancy Private Limited	10	1,592	6,000,614	-	-	-
Investments in units of fund (unquoted)						
Edelweiss Stressed and Troubled Assets Revival Fund 1	6,664	325	2,165,688	-	-	-
Paragon Partners growth fund-I	100	280,000	28,000,000	-	-	-
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	1,000,000	130	130,000,000
Investments in debt instruments of subsidiary company (unquoted)						
17% C.C Debentures (Series A)-Arum Investments Private Limited	125	2,150,984	339,759,709	125	2,150,984	339,759,709
Investments in venture fund (unquoted)						
Edelweiss Alternative Investment Trust- EW Clover Scheme	10,000	12,500	125,000,000	-	-	-
Investment in partnership firm						
- Capital account (refer note below)			42,000			42,000
			<u>8,221,218,703</u>			<u>4,628,373,092</u>
Aggregate of unquoted investments						
- At carrying value			5,900,576,587			4,286,000,626
Aggregate amount of quoted investments						
- At carrying value			2,320,642,116			391,511,611
- At market value			1,911,741,907			468,458,076



ECap Equities Limited

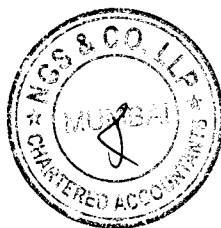
Notes to the financial statements (continued)

(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)	2016	2015
	Share of profit / loss	Magnolia Commodities Services Private Limited	41%	41%
		Dahlia Commodities Services Private Limited	40%	40%
		Edelweiss Commodities Services Limited	10%	10%
		ECap Equities Limited	9%	9%
(b)	Partnership firm	Total Capital	31 March	31 March
	Forefront Wealth Advisor LLP	Rs. 100,000 (Previous year Rs. Nil)	2016	2015
	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 2016	As at 31 March 2015				
2.11 Deferred tax assets (net)						
Deferred tax assets						
<i>Tax effect of timing differences on account of:</i>						
Provision for doubtful debts	278,425	1,613,845				
Disallowances under section 43B of the Income Tax Act, 1961	23,443,458	18,426,092				
Unrealised loss on equity/derivative instruments	21,790,020	-				
Others	6,130,122	-				
	<u>51,642,025</u>	<u>20,039,937</u>				
Deferred tax liabilities						
<i>Tax effect of timing differences on account of:</i>						
Difference between book and tax written down value	3,212,072	1,091,338				
	<u>3,212,072</u>	<u>1,091,338</u>				
	<u>48,429,953</u>	<u>18,948,599</u>				
2.12 Long-term loans and advances						
Unsecured, considered good						
Loans and advances to related parties	500,000	-				
Others						
Capital Advances	341,651	-				
Other deposits	7,700	7,700				
Advance income taxes (net of provision for taxation)	120,341,237	131,335,160				
	<u>121,190,588</u>	<u>131,342,860</u>				
2.13 Current investments						
	As at 31 March 2016	As at 31 March 2015				
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investments in equity instruments (unquoted)						
Indian energy exchange limited	-	-	-	10	1,250,000	762,481,250
Investments in partnership firm						
- Current account (refer note 2.10(a&b))	-	-	-	-	-	36,429,855
			<u>-</u>			<u>798,911,105</u>
Aggregate of unquoted investment						
- At carrying value			-			762,481,250



ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade

Securities

	As at 31 March 2016	As at 31 March 2015
Equity shares (quoted)	906,557,269	1,894,487,259
Equity shares (unquoted)	-	54,776,150
Warrents (quoted)	9,132,300	-
Mutual funds (quoted)	47,568,493	34,106,542
Mutual funds (Unquoted)	70,407,124	251,056,293
Debentures and bonds (quoted)	518,625,954	4,557,815,262
Debentures and bonds (unquoted)	6,853,292,860	1,779,369,692

8,405,584,000	8,571,611,198
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Aggregate of stock-in-trade in equity shares (quoted)

- At book value	906,557,269	1,894,487,259
- At market value	982,300,426	2,168,379,468

Aggregate of stock-in-trade in equity shares (unquoted)

- At book value	-	54,776,150
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Aggregate of stock-in-trade in warrents (quoted)

- At book value	9,132,300	-
- At market value	9,132,300	-

Aggregate of stock-in-trade in mutual funds (quoted)

- At book value	47,568,493	34,106,542
- At Net Asset Value	48,325,620	35,218,725

Aggregate of stock-in-trade in mutual funds (unquoted)

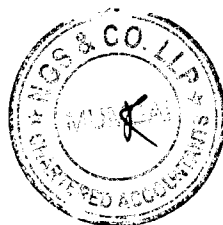
- At book value	70,407,124	251,056,293
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Aggregate of stock-in-trade in debentures and bonds (quoted)

- At book value	518,625,954	4,557,815,262
- At market value	518,625,954	4,557,815,262

Aggregate of stock-in-trade in debentures and bonds (unquoted)

- At book value	6,853,292,860	1,779,369,692
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ECap Equities Limited

Notes to the financial statements(continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Balkrishna Industries Limited	2	1,800	904,940	2	18,919	8,778,880
HDFC Bank Limited	-	-	-	2	75,000	62,561,929
Indiabulls Housing Finance Limited	-	-	-	2	72,000	22,208,132
Pipavav Defence And Offshore Eng Limited	-	-	-	10	3,364,113	192,427,264
Ratnabali Capital Markets Limited	-	-	-	10	1	133
RCI Industries & Technologies Limited	10	21,000	840,000	10	21,000	840,000
Siddhi Vinayak Shipping Corporation Limited	-	-	-	10	39,000	975,000
Suyog Telematics Limited	10	45,000	1,125,000	10	66,000	1,650,000
Wheels India Limited	-	-	-	10	30,537	12,214,800
Aegis Logistics Limited	-	-	-	10	4,000	2,169,808
Balrampur Chini Mills Limited	-	-	-	1	9,956	493,320
Century Textiles & Industries Limited	-	-	-	10	8,297	4,271,727
E.I.D.-Parry (India) Limited	1	11,848	2,185,111	1	2,778	486,567
GHCL Limited	10	162,917	11,676,626	10	930,047	57,244,393
Kajaria Ceramics Limited	2	3,832	3,531,201	2	13,367	7,123,398
Max Financial Services Limited	2	41,818	14,387,483	2	153,000	62,350,339
Nirlon Limited	-	-	-	10	129,893	25,536,964
Raymond Limited	10	8,263	3,220,777	10	8,263	3,176,417
Birla Corporation Limited	-	-	-	10	1,500	607,800
Ranbaxy Laboratories Limited	-	-	-	5	149,828	121,959,992
Jindal Saw Limited	-	-	-	2	5,760	378,720
Swaraj Engines Limited	-	-	-	10	7,692	6,218,597
Tata Elxsi Limited	10	1,195	2,251,201	10	1,195	816,219
Thermax Limited	-	-	-	2	50,011	46,422,959
Great Eastern Shipping Co Limited	-	-	-	10	1,830	669,414
Essar Ports Limited	-	-	-	10	5,660,000	639,607,734
Deepak Fertilizers and Petrochemicals Corporation Limited	-	-	-	10	21,452	2,941,069
Gujarat Narmada Valley Fertilizers and Chemicals Limited	-	-	-	10	69,846	4,756,513
Gujarat State Fertilizers & Chemicals Limited	-	-	-	2	12,085	1,006,076
CEAT Limited	-	-	-	10	18,423	14,820,382
Finolex Industries Limited	10	2,251	542,155	10	17,095	4,117,341
Tata Investment Corporation Limited	-	-	-	10	1,349	750,178
Sintex Industries Limited	-	-	-	1	1,000	114,146
SRF Limited	-	-	-	10	8,585	3,574,248
Zensar Technologies Limited	10	10,500	9,800,175	10	7,602	3,204,209
Nesco Limited	10	10,135	14,293,632	10	3,325	3,984,488
Dhanuka Agritech Limited	2	6,324	1,968,314	2	12,649	3,477,837
Graphite India Limited	-	-	-	2	7,945	659,832
VST Industries Limited	10	1,960	3,064,812	10	1,960	3,079,944
Dewan Housing Finance Limited	-	-	-	10	81,826	31,467,319
Can Fin Homes Limited	10	43,227	22,589,431	10	74,270	38,077,164
Suntech Realty Limited	-	-	-	2	1,000	249,550
Avanti Feeds Limited	2	18,850	7,498,530	10	381	558,564
Tata Sponge Iron Limited	-	-	-	10	866	630,318
Jyoti Structures Limited	-	-	-	2	1,382,928	35,472,103
Carborundum Universal Limited	-	-	-	1	18,176	3,230,899
Gujarat Industries Power Company Limited	-	-	-	10	81,024	6,381,648
CMC Limited	-	-	-	10	30,025	57,494,873
Ratnamani Metals & Tubes Limited	-	-	-	2	7,920	3,226,270
Mayur Uniquoters Limited	5	20,182	7,809,425	5	21,703	7,812,488
Aban Offshore Limited	-	-	-	2	18,000	7,675,200
Balmer Lawrie & Co.Limited	-	-	-	10	6,067	3,195,628
DCM Shriram Limited	2	6,699	719,473	2	6,699	719,473
Gujarat Gas Co.Limited	-	-	-	2	8,442	3,324,493
Mastek Limited	-	-	-	5	79,500	30,313,508
Vinati Organics Limited	-	-	-	2	1,315	557,106
Aarti Industries Limited	5	3,266	629,432	5	24,364	3,578,606
La Opala RG Limited	2	3,643	2,078,718	2	3,643	1,342,634
JK Tyre & Industries Limited	-	-	-	2	350,000	22,100,850
Jubilant Life Sciences Limited	-	-	-	1	17,446	2,667,493
Relaxo Footwears Limited	1	25,496	9,034,193	1	8,205	3,225,877
Shilpa Medicare Limited	-	-	-	2	6,554	3,186,740
Manappuram Finance Limited	2	25,997	760,389	2	25,997	751,256
Poly Medicare Limited	-	-	-	5	13,360	3,299,763
Cyient Limited	-	-	-	5	1,686	846,203
State Bank Of Mysore	-	-	-	10	1,079	506,591
City Union Bank Limited	1	170,353	15,609,418	1	50,064	3,825,154
Mahindra Lifespace Developers Limited	-	-	-	10	1,441	676,333
Ajanta Pharma Limited	-	-	-	2	1,100	750,119
United Spirits Limited	-	-	-	10	3,700	10,815,904



ECap Equities Limited

Notes to the financial statements(continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Granules India Limited	-	-	-	1	8,910	750,427
Shriram City Union Finance Limited	10	18,335	26,971,519	10	15,000	20,255,992
Strides Arcolab Limited	-	-	-	10	8,292	5,540,827
Gateway Distriparks Limited	-	-	-	10	17,822	3,339,553
IIFL Holdings Limited	2	40,585	7,687,601	2	119,131	11,007,099
Shoppers Stop Limited	-	-	-	5	1,131	464,841
Jagran Prakashan Limited	-	-	-	2	27,589	3,222,378
GVK Power & Infrastructure Limited	-	-	-	1	6,035,287	57,636,991
Solar Industries India Limited	-	-	-	10	2,808	3,459,231
Sobha Limited	-	-	-	10	7,052	2,835,257
TV18 Broadcast Limited	-	-	-	2	313,419	9,496,596
Firstsource Solutions Limited	10	43,406	1,456,271	10	593,680	18,315,028
Astral Poly Technik Limited	1	6,986	2,201,531	1	21,786	6,418,396
Fortis Healthcare Limited	-	-	-	10	400,000	63,410,194
Motilal Oswal Financial Services Limited	1	13,900	1,774,033	1	27,800	3,548,067
Kaveri Seed Company Limited	2	678	255,458	2	678	558,717
eClerx Services Limited	10	3,488	4,531,435	10	2,616	3,357,999
Capital First Limited	-	-	-	10	18,173	4,695,999
D B Realty Limited	-	-	-	10	280,000	18,704,000
IL&FS Transportation Networks Limited	10	33,000	2,310,026	10	21,891	3,393,250
Persistent Systems Limited	10	4,250	3,014,309	10	6,886	4,918,670
Hindustan Media Ventures Limited	10	16,835	3,528,195	10	20,506	3,223,161
SKS Microfinance Limited	-	-	-	10	13,475	3,270,997
Gujarat Pipavav Port Limited	-	-	-	10	31,292	3,453,724
National Buildings Construction Corporation Limited	10	5,388	5,013,056	10	13,902	9,075,091
Star Ferro And Cement Limited	-	-	-	1	5,241	563,669
Dhabriya Polywood Limited	10	165,000	2,046,355	10	152,000	2,356,409
Starlit Power Systems Limited	10	88,000	1,056,000	10	88,000	1,056,000
ADCC Infocad Limited	10	27,000	1,080,000	10	27,000	1,080,000
JLA Infraville Shoppers Limited	10	40,000	400,000	10	40,000	400,000
Jet Infraventure Limited	10	11,000	1,375,000	10	11,000	1,375,000
Aanchal Ispat Limited	10	72,000	471,600	10	72,000	846,000
Momai Apparels Limited	10	73,600	5,740,800	10	73,600	5,740,800
Supreme (India) Impex Limited	10	18,000	1,080,000	10	18,000	1,080,000
Titan Company Limited	1	800	271,280	-	-	-
Kansai Nerolac Paints Limited	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	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	9,511,208	-	-	-
Polaris Consulting & Services Limited	5	1,807,485	341,705,039	-	-	-
Triveni Engineering & Industries Limited	1	62,149	3,135,417	-	-	-
Sadbhav Engineering Limited	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	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	2,913	4,984,434	-	-	-
Mold-Tek Packaging Limited	5	24,000	3,366,000	-	-	-



ECap Equities Limited

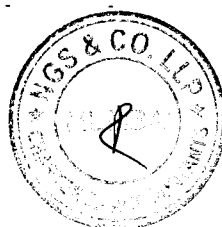
Notes to the financial statements(continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
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	255,000	6,897,750	-	-	-
Snowman Logistics Limited	10	24,000	1,274,400	-	-	-
Filtra Consultants And Engineers Limited	10	39,000	1,261,650	-	-	-
PNC Infratech Limited	10	5,600	2,960,160	-	-	-
Jiya Eco-Products Limited	10	96,000	1,824,000	-	-	-
M.D. Inducto Cast Limited	10	56,000	1,512,000	-	-	-
Majestic Research Services And Solutions Limited	10	40,000	510,000	-	-	-
Nirvikara Paper Mills Limited	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	1,365,000	-	-	-
Sri Krishna Constructions (India) Limited	10	48,000	1,598,400	-	-	-
			<u>906,557,269</u>			<u>1,894,487,259</u>
Equity shares (unquoted)						
Inox Wind Limited	-	-	-	10	168,542	54,776,150
			<u>-</u>			<u>54,776,150</u>
Warrents (quoted)						
Housing Development Finance Corporation Limited	0.50	65,700	9,132,300	-	-	-
			<u>9,132,300</u>			<u>-</u>
Mutual funds (quoted)						
Goldman Sachs Mutual Fund - CPSE ETF - Growth Option	10	4,316	85,072	10	46,767	1,136,079
Motilal Oswal Most Shares Midcap 100 ETF - Growth Option	10	141,679	1,813,523	10	10,858	145,815
Motilal Oswal Most Shares Nasdaq 100 ETF	10	80,546	23,287,664	10	81,189	21,491,003
Motilal Oswal Most Shares Midcap 50 ETF - Growth Option	7	31,902	2,298,888	7	20,682	1,658,282
Goldman Sachs Banking Index Exchange Traded Scheme	10	428	695,654	10	2,246	4,073,008
Goldman Sachs Nifty Junior Exchange Traded Scheme	1	15,004	2,785,904	1	2,763	530,845
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	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	1,524	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	-	-	-
Goldman Sachs Nifty Exchange Traded Scheme	-	-	-	10	4,461	3,791,521
Goldman Sachs Infra Traded Scheme	-	-	-	10	3,861	1,270,380
Goldman Sachs PSU Bank Exchange Traded Scheme	-	-	-	10	25	9,338
LIC Nomura Mutual Fund Asset Management Company Limited	-	-	-	10	20	271
			<u>47,568,493</u>			<u>34,106,542</u>
Mutual funds (Unquoted)						
Birla Sun Life Small & Midcap Fund Growth-Regular Plan	10	964,488	23,204,221	-	-	-
Sundaram S.M.I.L.E.Fund Regular Plan-Growth	10	345,094	22,008,206	-	-	-
Edelweiss Liquid Fund - Growth Option	10	928	1,346,970	-	-	-
SBI Magnum Midcap Fund -Regular Plan -Growth	10	411,449	23,847,727	-	-	-
Edelweiss Gilt Fund - Growth Option	-	-	-	10	50,000	500,000
Edelweiss Gilt Fund - Growth Plan	-	-	-	10	50,000	556,293
Sundaram Money Fund - Direct Plan - Growth	-	-	-	10	8,473,858	250,000,000
			<u>70,407,124</u>			<u>251,056,293</u>
Debentures and bonds (quoted)						
ECL Finance Limited SR- L4L103 BR NCD 29AP15	-	-	-	100,000	40	5,302,088
ECL Finance Limited NIFTY LNK SEC RED NCD RTD CAPITAL GNS DIS DOC SR- L4A102 PP-RED	-	-	-	100,000	22	2,391,503
ECL Finance Limited NIFTY LNK CAPITAL GNS SEC RATED RED NCD DIS DOC SR- ASA101 PP-RED	-	-	-	100,000	10	1,114,928



ECap Equities Limited

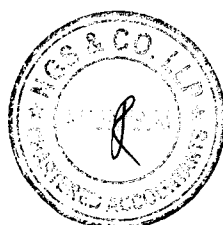
Notes to the financial statements(continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
ECL Finance Limited SR-B5C201 BR NCD 06JL15	-	-	-	100,000	83	10,217,023
ECL Finance Limited SR-B5C202 BR NCD 06AG15	-	-	-	100,000	10	1,033,224
ECL Finance Limited SR-G5C201 BR NCD 31AG15	-	-	-	100,000	10	1,016,274
ECL Finance Limited SR-E5E201 BR NCD 30SP15	-	-	-	100,000	10	1,215,802
ECL Finance Limited SR-E5E202 BR NCD 07OT15	-	-	-	100,000	42	5,171,512
ECL Finance Limited SR-F5F203 BR NCD 29OT15	-	-	-	100,000	10	1,196,161
ECL Finance Limited SR-L5I202 BR NCD 16FB16	-	-	-	100,000	101	13,296,119
ECL Finance Limited SR-F5G202 BR NCD 23NV15	-	-	-	100,000	25	2,750,118
ECL Finance Limited SR-F5G201 BR NCD 06NV15	-	-	-	100,000	72	7,692,388
ECL Finance Limited SR-J5H201 BR NCD 24DC15	-	-	-	100,000	10	1,061,776
ECL Finance Limited SR-B6K202 BR NCD 21MR16	-	-	-	100,000	97	10,729,713
ECL Finance Limited SR-ISL202 BR NCD 08FB16	-	-	-	100,000	50	4,536,920
ECL Finance Limited SR-J5L201 BR NCD 01FB16	-	-	-	100,000	30	3,289,970
ECL Finance Limited SR-J5J201 BR NCD 02MR16	-	-	-	100,000	623	80,417,844
ECL Finance Limited SR-D6A301 BR NCD 29JL16	-	-	-	100,000	120	11,388,300
ECL Finance Limited SR-A6G301 BR NCD 08JU16	-	-	-	100,000	105	12,987,192
ECL Finance Limited SR-D6B303 BR NCD 19AG16	-	-	-	100,000	130	13,064,060
ECL Finance Limited SR-E6B303 BR NCD 26AG16	-	-	-	100,000	125	12,594,042
ECL Finance Limited SR-B6K201 BR NCD 02MY16	-	-	-	100,000	51	5,975,415
ECL Finance Limited SR-C6A201 BR NCD 08JU16	-	-	-	100,000	10	928,180
ECL Finance Limited SR-D5A102 NCD 18MY15	-	-	-	100,000	120	15,628,630
ECL Finance Limited SR-D5B202 BR NCD 25MY15	-	-	-	100,000	24	2,340,288
ECL Finance Limited SR-E5C201 BR NCD 22JU15	-	-	-	100,000	32	3,168,288
ECL Finance Limited SR-F5C202 BR NCD 20JL15	-	-	-	100,000	57	7,130,802
ECL Finance Limited SR-K5J201 BR NCD 31DC15	-	-	-	100,000	200	24,651,600
ECL Finance Limited SR-L4A103 NCD 03AP15	-	-	-	100,000	305	37,790,855
ECL Finance Limited SR-E6B301 BR NCD 11AG16	-	-	-	100,000	20	2,321,570
ECL Finance Limited SR-K5K201 BR NCD 28MR16	-	-	-	100,000	216	28,309,652
ECL Finance Limited SR-E5G301 BR NCD 11SP15	-	-	-	100,000	20	2,314,080
ECL Finance Limited SR-K5L202 BR NCD 06AP16	-	-	-	100,000	360	45,400,160
ECL Finance Limited SR-K4L103 BR NCD 02AP15	-	-	-	100,000	150	23,681,302
ECL Finance Limited SR-L5K201 BR NCD 18JN16	-	-	-	100,000	99	12,106,413
ECL Finance Limited SR-ISK201 BR NCD 28DC15	-	-	-	100,000	50	6,430,050
ECL Finance Limited SR-B7A301 BR NCD 27JL17	-	-	-	100,000	45	4,534,335
ECL Finance Limited SR- F5F402 BR NCD 18JU15	-	-	-	10,000,000	10	96,827,820
ECL Finance Limited SR- F5F404 BR NCD 22JU15	-	-	-	10,000,000	10	98,739,280
ECL Finance Limited SR-G7C401 BR NCD 05SP17	-	-	-	100,000	25	2,117,400
ECL Finance Limited SR-J5J202 BR NCD 02MR16	-	-	-	100,000	35	4,280,470
ECL Finance Limited SR-J5G203 BR NCD 01DC15	-	-	-	100,000	25	3,257,525
ECL Finance Limited NIFTY LINK SEC RED RTD NCD CAPITAL GAINS SR - L5F301	-	-	-	-	-	-
PP - RD	-	-	-	100,000	52	6,339,957
ECL Finance Limited SR-H5F201 BR NCD 29OT15	-	-	-	100,000	25	3,756,575
ECL-NIFTY-CSC402-19-6-15-PVT	-	-	-	100,000	50	5,342,280
ECL Finance Limited SR-J5L204 BR NCD 29JN16	-	-	-	100,000	200	26,172,800
ECL Finance Limited SR-F5G204 BR NCD 10NV15	-	-	-	5,000,000	2	14,493,200
ECL Finance Limited EQ	-	-	-	100,000	30	4,442,310
ECL Finance Limited EQ	-	-	-	100,000	550	66,663,916
ECL Finance Limited SR-G5D201 BR NCD 20AG15	-	-	-	100,000	45	7,078,860
ECL Finance Limited SR-F6C301 BR 30SP16	-	-	-	100,000	25	3,143,635
ECL Finance Limited SR-G5G402 BR NCD 17JL15	-	-	-	10,000,000	10	97,372,200
ECL Finance Limited SR-G5G404 BR NCD 22JL15	-	-	-	10,000,000	10	97,152,200
ECL Finance Limited SR-G5G406 BR NCD 22JL15	-	-	-	10,000,000	10	97,184,900
ECL Finance Limited SR-G5G407 BR NCD 22JL15	-	-	-	10,000,000	15	145,777,350
Edelweiss Finance & Investments Ltd SR-K5K401 BR NCD 06NV15	-	-	-	5,000,000	57	268,516,740
ECL Finance Limited SR-H5C302 BR 31DC15	-	-	-	100,000	106	14,185,106
ECL Finance Limited SR-J6C301 BR NCD 06MR17	-	-	-	100,000	95	11,136,189
ECL Finance Limited SR-A6C401 BR NCD 03MY16	-	-	-	100,000	40	4,339,747
ECL Finance Limited SR-J7K401 BR NCD 13MR18	-	-	-	100,000	25	2,430,225
ECL Finance Limited - NIFTY LNK SEC RED NCD RTD CAPITAL GNS DIS DOC SR- L4L107 PP-RED	-	-	-	100,000	70	8,846,000
14% Orbit Corporation Limited	-	-	-	10,000,000	140	1,293,040,000
14.00% Skil Shipyard Holdings Private Limited 22.01.2019 NCD	-	-	-	10,000,000	75	750,000,000
12.00% Pantaloon Industries Limited 29.01.2020 NCD	-	-	-	10,000,000	100	1,000,000,000
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	-	-	-



ECap Equities Limited

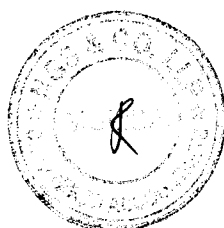
Notes to the financial statements(continued)

(Currency : Indian Rupees)

2.14 Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2016			As at 31 March 2015		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Debentures and bonds (quoted)						
Edelweiss Finance & Investments Ltd-C8F501 NCD	100,000	46	4,529,444	-	-	-
ECL Finance Ltd-K5L201 NCD	100,000	200	27,230,297	-	-	-
ECL Finance Ltd-G7K401 NCD	100,000	25	2,334,375	-	-	-
ECL Finance Ltd-L5B301 NCD	100,000	215	26,763,745	-	-	-
ECL Finance 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	-	-	-
ECL Finance Ltd-B9H602A NCD	100,000	100	10,031,550	-	-	-
ECL Finance Ltd-L5B201 NCD	100,000	50	8,434,263	-	-	-
			<u>518,625,954</u>			<u>4,557,815,262</u>
Debentures and bonds (unquoted)						
Edelweiss Commodities Services Limited 04.06.2015 CP	-	-	-	500,000	700	344,464,098
Edelweiss Commodities Services Limited 03.06.2015 CP	-	-	-	500,000	2,000	984,905,594
14.50% GVK Energy Limited 31.07.2018 NCD	10,000,000	45	450,000,000	10,000,000	45	450,000,000
Menora Developers & Infrastructure Private Limited CCD	10,000,000	2	20,000,000	-	-	-
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	-	-	-
ECL Finance Ltd-C6L502A NCD	100,000	79	7,463,920	-	-	-
Edelweiss Finance & Investments Ltd-C6L503B NCD	100,000	79	8,958,600	-	-	-
ECL Finance Ltd-B6H501B NCD	100,000	31	5,131,740	-	-	-
			<u>6,853,292,860</u>			<u>1,779,369,692</u>

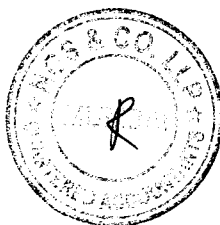


ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	As at 31 March 2016	As at 31 March 2015
2.15 Trade receivables		
<i>Debtors outstanding for a period exceeding six months</i>		
Unsecured, considered doubtful	804,510	4,663,213
Less: Provision for doubtful debts	804,510	4,663,213
	-	-
<i>Other debts</i>		
Unsecured, considered good	48,229,071	165,908,951
Less: Provision for doubtful debts	-	-
	48,229,071	165,908,951
	48,229,071	165,908,951
2.16 Cash and bank balances		
Balances with banks		
- in current accounts	18,401,680	14,340,028
Other bank balances		
- in fixed deposits with bank (refer note 2.34)	50,000,000	189,852
- in escrow account with bank (refer note 2.37)	627,123,966	627,123,966
	695,525,646	641,653,846
2.17 Short-term loans and advances		
Other loans and advances		
Rental deposits	752,900	752,900
Deposits- others	100,000	200,000
Prepaid expenses	1,526,374	108,306
Loans and advances to employees	-	169,583
Vendor advances	742,504	934,493
Intercompany deposits placed	27,108,954	27,108,954
Cenvat and VAT assets	8,423,326	8,394,966
Advance income taxes (net of provision for taxation)	37,001,347	64,148,763
MAT credit entitlement	139,737,042	63,306,715
	215,392,447	165,124,680
2.18 Other current assets		
Accrued interest on fixed deposits	10,233	45,608
Accrued interest on inter-corporate deposits	9,502,753	6,602,405
Accrued interest on debt instruments	224,489,149	211,209,559
Accrued interest on loans given	2,903	114,780
Accrued interest on margin	62,917	311,921
Dividend receivable	248,524	248,526
Equity index/stock options premium account	4,324,519	874,716
Margin placed with broker	145,219,080	113,166,622
Receivable on account of acquisition of business	-	115,801
	383,860,078	332,689,938

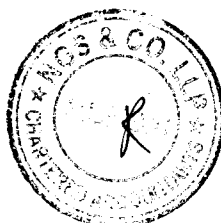


ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2016	For the year ended 31 March 2015
2.19 Fee and commission income		
Income from securities broking	7,148,396	5,093,725
Advisory and other fees	160,400,000	3,400,000
	<u>167,548,396</u>	<u>8,493,725</u>
2.20 Income from treasury operations and investments		
Loss on trading of securities (net)	(1,336,385,146)	(515,519,143)
Profit on trading in equity derivative instruments (net)	358,591,629	273,668,125
(Loss)/profit on trading in commodity derivative instruments (net)	(88,252,472)	365,760,000
Profit/(loss) on trading in currency derivative instruments (net)	32,156,601	(34,860,233)
(Loss)/profit on trading in interest rate derivative (net)	(45,967,493)	25,770,125
Profit on sale of current investment	-	741,077
Profit/(loss) on sale of long term investment	1,304,270	(574,360)
Dividend on inventories	157,231,602	332,221,860
Dividend on current investment	-	52,481
Dividend on long term investment	2,229,172	2,530,585
Share of (loss)/profit in partnership firm (net)	(11,034,334)	36,424,415
	<u>(930,126,171)</u>	<u>486,214,931</u>
2.21 Interest income		
On loan to subsidiary	32,639,016	-
On loan to holding company	-	106,356,164
On intercorporate deposits	3,261,987	3,253,075
On fixed deposits	25,268,064	4,098,440
On debt instrument	2,882,337,729	1,179,081,715
On margin with brokers	1,831,447	26,862,602
On others	23,074,994	-
On overdue accounts	-	27,151,832
	<u>2,968,413,237</u>	<u>1,346,803,828</u>
2.22 Other income		
Provision for doubtful debts, advances, excess provision written back	4,785,063	-
Miscellaneous income	49,143	-
Interest income - others	7,429,274	8,886
	<u>12,263,480</u>	<u>8,886</u>

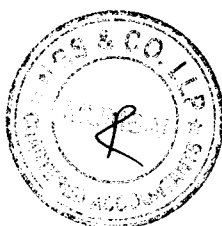


ECap Equities Limited

Notes to the financial statements (continued)

(Currency : Indian Rupees)

	For the year ended 31 March 2016	For the year ended 31 March 2015
2.23 Employee benefit expenses		
Salaries and wages (refer note 2.35)	294,273,204	188,846,405
Contribution to provident and other funds	2,106,529	637,135
Staff welfare expenses	1,593,719	211,201
	<u>297,973,452</u>	<u>189,694,741</u>
2.24 Finance costs		
Interest on term loan	607,705	-
Interest on bank overdraft	-	(252,985)
Interest on loan from holding company	1,064,325,012	182,450,405
Interest on loan from fellow subsidiaries	337,733,628	497,743,593
Interest - others	40,911,346	75,773,866
Interest on loan - others	-	93,719,452
Financial and bank charges	-	1,344
	<u>1,443,577,691</u>	<u>849,435,675</u>
2.25 Other expenses		
Advertisement and business promotion	73,129	9,339
Auditors' remuneration (refer note below)	389,200	328,250
Bad- debts written off	3,932,600	-
Commission and brokerage	66,293	119,844
Communication	2,685,976	583,426
Computer software	2,964,429	995,444
Clearing and custodian charges	370,616	410,781
Directors' sitting fees	120,000	-
Contribution towards corporate social responsibility (refer note 2.38)	50,000	-
Electricity charges (refer note 2.35)	2,209,519	568,256
Insurance	-	66,819
Legal and professional fees	7,749,260	4,828,484
Membership and subscription	2,473,693	3,185,834
Office expenses	1,176,583	19,488
Printing and stationery	81,559	15,770
Provision for doubtful debts	-	529
Rates and taxes	1,097,733	11,289
Rent (refer note 2.35)	17,389,572	5,217,967
Repairs and maintenance - others	5,000	929,360
ROC expenses	2,400	5,328
Security transaction tax	62,406,482	122,249,572
Seminar and conference expenses	11,000	-
Service tax expenses	11,403,326	6,487,772
Stamp duty	76,402	37,550
Stock exchange expenses	53,069	78,142
Transportation charges	64,000	-
Travelling and conveyance	4,309,771	1,976,592
Warehousing charges	9,476	2,355,861
Miscellaneous expenses	66,838	39,964
Housekeeping and security charges	627,018	-
	<u>121,864,944</u>	<u>150,521,661</u>
Note:-		
Auditors' remuneration:		
As auditor	300,000	235,750
For taxation matters	70,000	70,000
For out of pocket expenses	19,200	22,500
	<u>389,200</u>	<u>328,250</u>



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 2016	For the year ended 31 March 2015
I Segment revenue		
a) Capital based business	6,072,331,643	3,211,771,729
b) Agency business	171,434,890	8,493,725
c) Unallocated	7,478,417	-
Total	6,251,244,950	3,220,265,454
Less : Inter segment revenue	-	-
Total income	6,251,244,950	3,220,265,454
II Segment results		
a) Capital based business	302,756,876	478,662,513
b) Agency business	151,472,517	7,814,599
c) Unallocated	6,378,284	-
Total	460,607,676	486,477,112
Profit before taxation	460,607,676	486,477,113
Less : Provision for taxation	(38,379,863)	6,512,968
Profit after taxation	498,987,539	479,964,145
Particulars	As at 31 March 2016	As at 31 March 2015
III Segment assets		
a) Capital based business	17,790,961,174	15,223,942,187
b) Agency business	23,936,119	970,572
c) Unallocated	372,434,586	300,674,231
Total	18,187,331,879	15,525,586,990
IV Segment liabilities		
a) Capital based business	15,580,557,291	13,315,792,206
b) Agency business	6,696,503	513,839
c) Unallocated	100,159,287	24,780,203
Total	15,687,413,080	13,341,086,248
V Capital expenditure (Including capital work-in-progress)		
a) Capital based business	49,979,735	2,360,482
b) Agency business	1,411,035	6,242
Total	51,390,770	2,366,724
VI Depreciation and amortisation		
a) Capital based business	10,249,862	17,155,072
b) Agency business	289,375	45,368
Total	10,539,237	17,200,440
VII Significant non-cash expenses other than depreciation and amortisation		
a) Capital based business	4,781,205	549,547
b) Agency business	134,984	1,982
Total	4,916,189	551,529

ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.27 Related parties

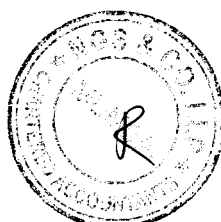
In accordance with Accounting Standard 18 on Related party transactions notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 (Subsidiary company) Edelweiss Retail Finance Limited (Subsidiary company) Arum Investments Private Limited (from 31 March, 2016)
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 Commodities Limited Edelweiss Comtrade Limited Edelweiss Finance & Investments Limited Edelweiss Securities Limited Edelweiss Broking Limited EFSL Comtrade Limited Edelweiss Web Services Limited Edel Commodities Trading Limited Edelweiss Agri Value Chain Limited (formerly known as Edelweiss Integrated Commodity Management Limited) Edelweiss Investment Adviser Limited Edelweiss Asset Management Limited
Name of related parties over whom significant influence is exercised	Forefront Wealth Advisors LLP Arum Investments Private Limited (upto 30 March, 2016) EW Clover Scheme

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2016	For the year ended 31 March 2015
	Capital account transactions during the year			
1	Investment in equity shares of	Arum Investments Private Limited	364,779,740	49,139,145
2	Investment in preference shares of	Edelcap Securities Limited Arum Investments Private Limited	1,120,000,000 8,374,600	500,000,000 3,242,659,772
3	Investment in debentures of	Arum Investments Private Limited	-	339,759,709
4	Investment in partnership firm	Forefront Wealth Advisors LLP	-	33,000



ECap Equities Limited

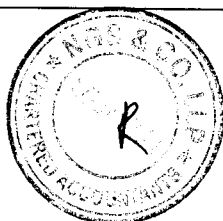
Notes to the financial statements (continued)

(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 2016	For the year ended 31 March 2015
	Current account transactions during the year			
5	Short term loans taken from	Edelweiss Financial Services Limited	11,985,072,953	21,850,828,245
		Edelweiss Commodities Services Limited	18,258,187,000	9,526,545,272
		Edel Investments Limited	-	76,300,000
		EFSL Commodities Limited	-	500,000,000
6	Short term loans repaid to (refer note below)	Edelweiss Financial Services Limited	22,249,617,172	11,394,280,959
		Edelweiss Commodities Services Limited	12,119,500,000	13,050,610,459
		Edel Investments Limited	500,000	75,800,000
7	Long term loans given to (refer note below)	Edelcap Securities Limited	720,000,000	-
8	Long term loans repaid by (refer note below)	Edelweiss Financial Services Limited	-	1,500,000,000
		Edelcap Securities Limited	719,500,000	
9	Nomination deposits received from	Edelweiss Financial Services Limited	100,000	200,000
10	Nomination deposits received returned back	Edelweiss Financial Services Limited	200,000	-
11	Nomination deposits paid	Edelcap Securities Limited	200,000	-
12	Nomination deposits paid received back	Edelcap Securities Limited	400,000	-
13	Nomination deposits given to	Edelcap Securities Limited	-	200,000
14	Share of loss in partnership firm	Forefront Wealth Advisors LLP	8,701,911	5,440
15	Margins placed with (refer note below)	Edelweiss Securities Limited	974,617,350	1,664,093,951
16	Margins withdrawn from (refer note below)	Edelweiss Securities Limited	1,013,410,100	2,850,867,417
		Edelweiss Broking Limited	-	17,351,728
17	Purchase of debt securities from	Edelweiss Finance & Investments Limited	19,280,613	49,707,534
		ECL Finance Limited	2,253,002,342	-
		Edelweiss Commodities Services Limited	7,713,503,222	42,226,550
18	Sale of debt securities to	Edelweiss Finance & Investments Limited	621,249,659	-
		ECL Finance Limited	3,122,619,183	-
		Edelweiss Commodities Services Limited	7,606,969,569	-
19	Purchase of commodities from	Edelweiss Commodities Services Limited	3,916,681,950	1,540,775,273
20	Sale of commodities to	Edelweiss Commodities Services Limited	-	88,911,909
		Edel Commodities Trading Limited	-	256,450,908
		Edelweiss Global Wealth Management Limited	-	256,259,399
		EFSL Comtrade Limited	-	115,412,066
		Edelweiss Web Services Limited	-	661,709,802



ECap Equities Limited

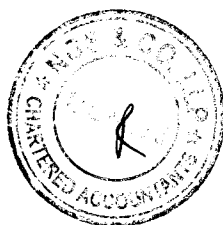
Notes to the financial statements (continued)

(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 2016	For the year ended 31 March 2015
21	Redemption of nifty link debentures	ECL Finance Limited Edelweiss Finance & Investments Limited	7,388,000,000 3,462,000,000	6,540,300,000 -
22	Brokerage earned from	Edelweiss Securities Limited	7,148,396	5,093,725
23	Net amount incurred on settlement of forward contracts	Edelweiss Web Services Limited Edelweiss Investment Adviser Limited EFSL Commodities Limited Edelweiss Global Wealth Management Limited	5,085,000 18,180,000 4,005,000 21,112,472	- - - -
24	Net amount earned on settlement of forward contracts with	Edelweiss Commodities Services Limited Edel Investments Limited	- -	5,880,000 7,560,000
25	Interest income on margins placed with	EC Commodity Limited Edelweiss Securities Limited Edelweiss Broking Limited	- 1,831,447 -	- 26,691,462 171,140
26	Interest income on debt instrument of	Arum Investments Private Limited ECL Finance Limited Edelweiss Finance & Investments Limited Edelweiss Commodities Services Limited	45,708,411 1,726,177,550 282,962,172 43,159,044	7,638,940 903,001,585 - -
27	Interest income on loans given to	Edelweiss Financial Services Limited Edelcap Securities Limited	- 32,639,016	106,356,164 -
28	Interest income on delayed payments to	Edel Commodities Trading Limited Edelweiss Global Wealth Management Limited EFSL Comtrade Limited Edelweiss Web Services Limited	- - - -	4,288,339 7,548,802 1,822,191 13,492,500
29	Warehousing income from	Edel Commodities Trading Limited Edelweiss Global Wealth Management Limited EFSL Comtrade Limited Edelweiss Web Services Limited	- - - -	953,700 953,700 437,113 1,876,800
30	Interest expense on loans taken from	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edel Investments Limited EFSL Commodities Limited	1,064,325,012 280,207,392 26,236 57,500,000	182,450,405 496,060,655 1,525,404 157,534
31	Interest expense on delayed payments to	Edelweiss Commodities Services Limited	-	43,240,769
32	Reimbursements paid to	Edelweiss Financial Services Limited Edelweiss Commodities Services Limited Edelweiss Web Services Limited	154,408,433 45,601 4,323,310	36,074,149 14,300 6,900



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 2016	For the year ended 31 March 2015
33	Cost reimbursements paid to	Edelweiss Securities Limited	-	567
		Edelweiss Asset Management Limited	2,326,343	2,755,970
		Edelweiss Commodities Services Limited	12,678,859	5,683,290
		Edelweiss Broking Limited	5,437,518	-
		Edelweiss Financial Services Limited	13,212,500	-
34	Clearing and custodian charges paid to	Edelweiss Securities Limited	295,000	410,000
35	Contribution in partnership firm through current account	Forefront Wealth Advisors LLP	3,333,000	-
36	Processing fees paid to	Edelweiss Web Services Limited	62,520	20,610
37	Warehousing expenses paid to	Edelweiss Agri Value Chain Limited	-	251,899
		Edelweiss Commodities Services Limited	-	6,325,275
38	Interim equity dividend paid to	Edelweiss Financial Services Limited	150,000,000	-
	Balances with related parties			
39	Short term loans taken from	Edelweiss Financial Services Limited	195,264,920	10,459,809,139
		Edelweiss Commodities Services Limited	6,927,362,262	788,675,262
		Edel Investments Limited	-	500,000
		EFSL Commodities Limited	500,000,000	500,000,000
40	Stock in trade - debentures and bonds	ECL Finance Limited	118,294,683	1,246,258,522
		Edelweiss Financial and Investments Limited	13,488,044	268,516,740
		Edelweiss Commodities Services Limited	5,358,154,036	1,329,369,692
		Edelweiss Financial Services Limited	999,561,667	-
41	Trade payables to	Edelweiss Securities Limited	-	177,192
		Edelweiss Financial Services Limited	-	5,214
		Edelweiss Broking Limited	5,747,509	-
		Edelweiss Web Services Limited	42,359	-
		Edelweiss Commodities Services Limited	339,828	368,762
		Edelweiss Agri Value Chain Limited	-	226,709
		Edelweiss Asset Management Limited	2,431,029	2,821,010
42	Interest payable on loans taken from	Edelweiss Financial Services Limited	9,535,116	41,372,220
		Edelweiss Commodities Services Limited	73,172,526	1,587,046
		Edel Investments Limited	-	2,977
		EFSL Commodities Limited	2,813,730	141,781



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

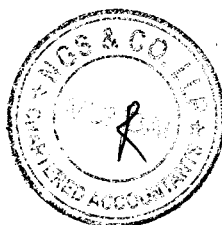
2.27 Related parties (continued)

ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2016	For the year ended 31 March 2015
43	Nomination deposits payable to	Edelweiss Financial Services Limited	100,000	200,000
44	Investments in equity shares of	Arum Investments Private Limited Edelcap Securities Limited	413,918,885 13,000,000	49,139,145 13,000,000
45	Investments in preference shares of	Arum Investments Private Limited Edelcap Securities Limited	3,251,034,372 1,620,000,000	3,242,659,772 500,000,000
46	Investments in debentures of	Arum Investments Private Limited	339,759,709	339,759,709
47	Investments in venture funds of	EW Clover Scheme	125,000,000	-
48	Investment in partnership firm	Forefront Wealth Advisors LLP	33,000	33,000
49	Partner's current account - credit balance	Forefront Wealth Advisors LLP	5,368,911	5,440
50	Trade receivables from	Edelweiss Securities Limited Edelweiss Financial Services Limited ECL Finance Limited Edelcap Securities Limited Edelweiss Web Services Limited	4,348,004 50,898 - 242,000 -	19,994,929 - 24,579,413 361,000 73,202
51	Long term loans given to	Edelcap Securities Limited	500,000	-
52	Nomination deposits receivable from	Edelcap Securities Limited	-	200,000
53	Interest receivable on debt instruments of	Arum Investments Private Limited	22,488,538	20,512,432
54	Interest receivable on loans given to	Edelweiss Financial Services Limited Edelcap Securities Limited	- 2,903	114,780 -
55	Interest receivable on margins placed with	Edelweiss Securities Limited	62,917	311,921
56	Margins placed with	Edelweiss Securities Limited	145,219,080	113,166,622
57	Other receivables from	Edelcap Securities Limited	-	115,801

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

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 2016	For the year ended 31 March 2015
(a)	Profit after tax (as per statement of profit and loss)	498,987,539	479,964,144
	Less: dividend on preference share capital	3,033,013	-
	Net profit for the year attributable to equity shareholders	495,954,526	479,964,144
(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)	2,066.48	1,999.85

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 did not have any earnings or expenditure in foreign currency during the current year (Previous year: Rs. 116,191 towards software maintenance and usage charges).



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 2016		As at 31 March 2015	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Short position	-	-	300	300,000

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

Sr. no.	Name of future	As at 31 March 2016		As at 31 March 2015	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	-	-	6,375	12,750,000
2	Short position	3,954	7,908,000	1,960	3,920,000

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

Sr. no.	Name of future	As at 31 March 2016		As at 31 March 2015	
		Number of contracts	Number of units involved	Number of contracts	Number of units involved
1	Long position	1,185	3,169,230	92	148,500
2	Short position	1,320	700,600	602	484,534

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

Particulars	As at 31 March 2016	As at 31 March 2015
Total premium carried forward (Net of provision made)	(118,128,486)	(77,010)



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 2016	For the year ended 31 March 2015
<u>Opening stock</u>		
Bullion	-	-
Agri	-	-
	-	-
<u>Purchase</u>		
Bullion	3,916,681,950	-
Agri	-	1,540,775,274
	3,916,681,950	1,540,775,274
<u>Sales</u>		
Bullion	4,033,146,008	-
Agri	-	1,378,744,084
	4,033,146,008	1,378,744,084
<u>Closing stock</u>		
Bullion	-	-
Agri	-	-
	-	-
Profit/(loss) on trading in commodities (net)	116,464,058	(162,031,190)



ECap Equities Limited

Notes to the financial statements (continued)

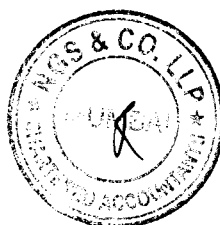
(Currency: Indian Rupees)

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

(ii) Securities

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
<u>Opening stock</u>		
Equity shares	1,949,263,409	*(58,415,186)
Less: Stock transfer out	(244,939,169)	-
Debentures, bonds, warrants	6,337,184,954	2,810,367,808
Mutual fund	285,162,835	2,758,924,115
Others	-	-
	8,326,672,029	5,510,876,737
<u>Purchase</u>		
Equity shares	26,821,450,819	23,074,355,878
Preference shares	-	35,737,219
Debentures, bonds, warrants	93,817,554,743	60,835,835,235
Mutual fund	31,766,491,642	35,948,318,839
Others	-	57,123,320
	152,405,497,204	119,951,370,491
<u>Sales</u>		
Equity shares	28,032,309,668	21,077,981,554
Preference shares	-	40,962,449
Debentures, bonds, warrants	91,151,537,689	56,624,367,428
Mutual fund	31,851,384,987	38,577,266,677
Others	2,982,325	54,538,779
	151,038,214,669	116,375,116,887
<u>Closing stock</u>		
Equity shares	*858,542,689	1,949,263,409
Preference shares	-	-
Debentures, bonds, warrants	7,381,051,112	6,337,184,954
Mutual fund	117,975,617	285,162,835
Others	-	-
	8,357,569,418	8,571,611,198
Loss on sale of securities (net)	(1,336,385,146)	(515,519,143)

* 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. 2,106,529/- (Previous year: Rs. 637,135/-) 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 2016	For the year ended 31 March 2015
Current service cost	1,314,000	342,000
Interest on defined benefit obligation	502,000	155,000
Actuarial loss/(gain)	2,054,000	(157,000)
Total included in employee benefit expenses	3,870,000	340,000

Balance sheet

Details of provision for gratuity:

	For the year ended 31 March 2016	For the year ended 31 March 2015
Liability at the end of the year	9,155,000	2,077,856
Amount in balance sheet	9,155,000	2,077,856

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

	For the year ended 31 March 2016	For the year ended 31 March 2015
Liability at the beginning of the year	2,078,000	1,376,820
Transfer in/(out)	4,356,000	361,036
Interest cost	502,000	155,000
Current service cost	1,314,000	342,000
Benefits Paid	(1,149,000)	-
Actuarial (gain)/loss on obligations	2,054,000	(157,000)
Liability at the end of the year	9,155,000	2,077,856

Non-current liability at the end of the year 7,822,000/-

Current liability at the end of the year 1,333,000/-



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:

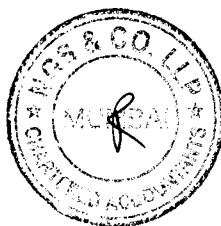
	31 March 2016	31 March 2015	31 March 2014	For the year ended	
				31 March 2013	31 March 2012
Liability at the end of the year	9,155,000	2,077,856	1,376,820	599,840	253,172
Fair value of plan assets at the end of year	-	-	-	-	-
Amount recognized in balance sheet	9,155,000	2,077,856	1,376,820	599,840	253,172

Experience adjustment:

	31 March 2016	31 March 2015	31 March 2014	For the year ended	
				31 March 2013	31 March 2012
On plan liabilities (gain)/loss	1,879,000	(365,000)	220,000	212,887	85,546
On plan assets (gain)/loss	-	-	-	-	-
Estimated contribution for next year	-	-	-	-	-

Principle actuarial assumptions at the balance sheet date:

	For the year ended 31 March 2016	For the year ended 31 March 2015
Discount rate current	7.40%	7.80%
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. 6,845/- 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. 5,563,000/- towards fixed assets as at the balance sheet date (Previous year: Rs. 11,716,000/-).

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. 189,852 with VAT Authorities for meeting deposit requirements).

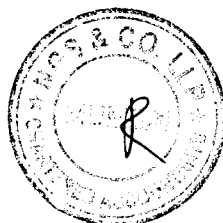
2.35 *Cost sharing*

Edelweiss Financial Services Limited (EFSL), being the holding company incurs common senior management compensation cost, which are for the benefit of the Company. This cost so expended is reimbursed by the Company on the basis of number of employees and time spent by employees of the EFSL, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in note 2.23 are gross of the reimbursement.

Fellow subsidiaries, Edelweiss Broking Limited (EBL) and Edelweiss Commodities Services Limited (ECSL), incurs expenditure like electricity and rent which are for the benefit of the Company. These costs so expended are reimbursed by the Company on the basis of area occupied. Accordingly, the expenditure heads in note 2.25 are gross of the reimbursement.

2.36 *Details of dues to micro, small and medium enterprises*

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



ECap Equities Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

2.37 Other bank balances

The Company has deposited an amount of Rs. 627,123,966 (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.

2.38 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.50,000/-

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. 50,000	Nil	Rs. 50,000

2.39 Previous year comparatives

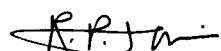
Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W



R. P. Soni

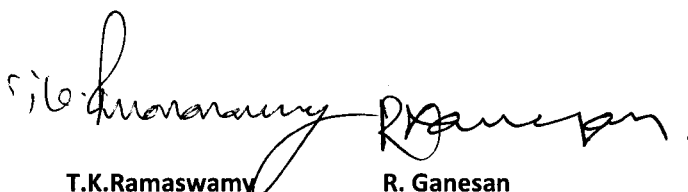
Partner

Membership No.: 104796

Mumbai

10 May 2016

For and on behalf of the Board of Directors



T.K. Ramaswamy

Director

DIN: 05157099

R. Ganesan

Director

DIN: 07446631



Jalpa Jadav

Company Secretary

