



INDEPENDENT AUDITOR'S REPORT

To,

The members of '**FOREFRONT CAPITAL MANAGEMENT PRIVATE LIMITED**'

Report on Financial Statements

1. We have audited the accompanying financial statements of **FOREFRONT CAPITAL MANAGEMENT PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, Statement of Profit and Loss account and 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:

2. The management and Board of Directors of the company are responsible for the matter stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these 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 includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement, whether due to fraud or error.

Auditor's Responsibility

3. 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 the auditing standard and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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





A. M. JAIN & Co.
CHARTERED ACCOUNTANTS

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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 true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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:
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
 - b) In the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date, and
 - c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we report that:
- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.





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- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards referred to in 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 March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion and to the best of our information and according to the explanation given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014:
 - i) The Company does not have any pending litigation which would impact its financial position.
 - ii) The Company did not have any long term contract including derivatives contract; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investors Education and Protection Fund. The question of delay in transferring such sums does not arise.

For A.M.Jain & Co.,
Chartered Accountants
FRN: 103883W



Arun Kumar Jain
Partner
M. No.: 038983
Place: Mumbai
Dated: 13th May 2015



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Annexure referred to in Paragraph 7 of our Report of even date to the Members of FOREFRONT CAPITAL MANAGEMENT PRIVATE LIMITED on the accounts for the year ended 31st March 2015.

1. In respect of Fixed Assets:

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b. As explained to us, the fixed assets have been physically verified by the management as on 31.03.2015, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

2. In respect of Inventories:

- a. The inventories have been verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventories and no material discrepancies have been noticed on verification of inventories.

3. In respect of loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013:

- a. Company has granted unsecured loans to 3 parties covered in the register maintained u/s 189 of the Companies Act, 2013.
- b. The parties have repaid the principal amounts as stipulated and have also been regular in the payment to the company.
- c. There is no overdue amount in excess of Rs. 1 lakh in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013





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4. In our opinion, there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed major weakness and continuing failure in internal control system. During the course of our audit, we have not observed any major weakness in internal controls system.
5. In our opinion and according to the information given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any products of the company.
7. In respect of statutory dues:
 - a. The company is generally regular in depositing with appropriate authorities undisputed statutory dues of income tax, service tax, and other material statutory dues applicable to it, According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable, except TDS of Rs.3,500.
 - b. According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, value added tax and service tax outstanding on account of any dispute.
 - c. No amount is required to be transferred to investor education and protection fund in accordance with the relevant provision of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. The company has been registered for the period of more than five years and its accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has incurred cash losses in the current year and in the immediately preceding financial year.
9. In our opinion, the company has not borrowed from any financial institution, bank or through the issue of debentures during the financial year 2014-2015, accordingly the provisions of this clause are not applicable
10. On the basis of the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.





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11. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
12. In our opinion and according to the information and explanation given to us, the company had not taken any term loan during the financial year.
13. On the basis of the information and explanations given to us, no fraud on or by the company has been noticed.

For A.M.Jain & Co.,
Chartered Accountants
FRN: 103883W

Arun Kumar Jain
Partner
M. NO.: 038983
Place: Mumbai
Dated: 13th May 2015



Forefront Capital Management Private Limited

Balance Sheet

(Currency : Indian Rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	22,146,440	22,146,440
(b) Reserves and surplus	2.2	4,553,261	13,262,091
		<u>26,699,701</u>	<u>35,408,531</u>
Non-current liabilities			
Long-term provisions	2.3	931,000	-
Current liabilities			
(a) Short-term borrowings	2.4	76,975,079	-
(b) Trade payables		17,238,951	29,769,837
(c) Other current liabilities	2.5	105,030,619	9,165,154
(d) Short-term provisions	2.6	305,000	-
		<u>199,549,649</u>	<u>38,934,991</u>
TOTAL		<u><u>227,180,350</u></u>	<u><u>74,343,522</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	2.7		
(i) Tangible assets		199,917	323,217
(ii) Intangible assets		518,569	-
(b) Non-current investments	2.8	2,664,519	2,811,521
(c) Deferred tax assets (net)	2.9	3,337,210	721,567
(d) Long-term loans and advances	2.10	-	981,986
(e) Other non-current assets	2.11	-	464,586
		<u>6,720,215</u>	<u>5,302,877</u>
Current assets			
(a) Current investments	2.12	-	26,047,995
(b) Stock-in-trade	2.13	16	714,491
(c) Trade receivables	2.14	20,100,007	433,534
(d) Cash and bank balances	2.15	85,507,766	28,622,940
(e) Short-term loans and advances	2.16	113,930,773	12,634,208
(f) Other current assets	2.17	921,573	587,476
		<u>220,460,135</u>	<u>69,040,644</u>
TOTAL		<u><u>227,180,350</u></u>	<u><u>74,343,522</u></u>

Significant accounting policies and notes to the financial statements

1 & 2

As per our report of even date attached.

For A.M.Jain Co

Chartered Accountants

Firm Registration No.: 103883W

(C.A Arun Kumar Jain)

Partner

Membership No.: 038983

Mumbai

13 May 2015



For and on behalf of the Board of Directors

Nikhil Johari

Director

DIN No: 01960539

Sanjeev Chandiramani

Director

DIN No: 01674794

Forefront Capital Management Private Limited

Statement of Profit and Loss

(Currency : Indian Rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations			
Fee and commission income	2.18	31,634,447	15,680,214
Income from treasury operations and investments	2.19	(2,600,133)	1,330,550
Interest income	2.20	4,964,782	-
Other income	2.21	4,593,756	57,534
Total revenue		38,592,852	17,068,298
Expenses			
Purchases of commodities		-	3,018,601
Changes in inventories		714,475	3,081,816
Employee benefit expenses	2.22	18,725,821	5,352,515
Finance costs	2.23	7,256,277	69,828
Depreciation and amortization expenses	2.7	415,351	174,289
Other expenses	2.24	22,798,350	6,352,649
Total expenses		49,910,274	18,049,698
Loss before tax		(11,317,422)	(981,400)
Tax expense:			
Deferred tax		(2,615,643)	(451,355)
Loss for the year		(8,701,779)	(530,045)
Earnings per equity share:			
Basic and diluted (face value of Rs. 10 each)	2.27	(3.93)	(0.24)

Significant accounting policies and notes to the financial statements

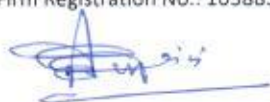
1 & 2

As per our report of even date attached.

For A.M.Jain Co

Chartered Accountants

Firm Registration No.: 103883W



(C.A Arun Kumar Jain)

Partner

Membership No.: 038983

Mumbai

13 May 2015

For and on behalf of the Board of Directors



Nikhil Johari
Director
DIN No:01960539



Sanjeev Chandiramani
Director
DIN No:01674794



Forefront Capital Management Private Limited

Cash flow statement

(Currency: Indian Rupees)

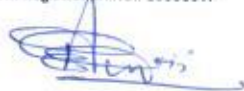
	For the year ended 31 March 2015	For the year ended 31 March 2014
A Cash flow from operating activities		
Loss before taxation	(11,317,422)	(981,400)
Adjustments for		
Depreciation and amortisation expenses	415,351	174,289
Gratuity and compensated expenses	1,236,000	-
Profit on sale of Investments	(1,963,646)	(1,289,169)
Interest expense	7,247,278	55,639
Share of loss in partnership firm	4,564,996	6,833
Interest Income	(9,545,236)	(55,639)
Dividend Income	(1,217)	(48,214)
Operating cash flow before working capital changes	(9,363,896)	(2,137,661)
Adjustments for working capital changes		
Decrease in inventories	714,475	3,081,815
(Increase)/decrease in trade receivable	(19,666,472)	652,870
Increase in other loans and advances	(5,316,912)	(5,040,720)
Decrease in other assets	1,052,062	187,086
Increase/(decrease) in liabilities and provisions	83,105,229	(71,272,000)
Cash generated from/(used in) operations	50,524,486	(74,528,610)
Income tax paid/(refund)	(2,799,984)	1,238,088
Net cash generated from / (used in) operating activities - A	47,724,502	(73,290,522)
B Cash flow from investing activities		
Purchase of fixed assets	(810,620)	(160,037)
Interest received	8,623,663	55,639
Purchase of Investments (net)	-	(3,830,328)
Sale of investments (net)	21,630,001	-
Placement of clients fixed deposit	(68,892,189)	(1,107,355)
Profit on sale of Investments	1,963,646	1,289,169
Loans given (net) (Refer note 2)	(92,204,734)	(1,776,917)
Dividend received	1,217	48,214
Net cash used in investing activities - B	(129,689,016)	(5,481,615)
C Cash flow from financing activities		
Proceeds from issue of share capital including securities premium	-	111,117
Proceeds from / Repayment of short term/long term borrowings (net) (Refer note 2)	76,975,079	-
Interest paid	(7,017,929)	(55,639)
Net cash generated from financing activities - C	69,957,150	55,478
Net decrease in cash and cash equivalents (A+B+C)	(12,007,363)	(78,716,659)
Cash and cash equivalents as at the beginning of the year	27,515,585	106,232,244
Cash and cash equivalents as at the end of the year (refer note 1)	15,508,222	27,515,585
Notes:		
1. Cash and cash equivalents represent cash and balances with banks in current account		
Cash and cash equivalents include the following: (Refer note 2.15)		
Balances with scheduled banks:		
Cash in hand	1,430	1,025
In current accounts	15,506,792	27,514,560
Cash and cash equivalents	15,508,222	27,515,585
2. Net figures have been reported on account of volume of transactions.		

As per our report of even date attached.

For A.M.Jain Co

Chartered Accountants

Firm Registration No.: 103883W



(C.A. Arun Kumar Jain)

Partner

Membership No.: 038983

Mumbai

13 May 2015



For and on behalf of the Board of Directors



Nikhil Johari
Director
DIN No. 01960539



Sanjeev Chandramani
Director
DIN No. 01674794

Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015

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), provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter together 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 GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on date of the financial statement. Actual results could differ from the estimates. Any revision to the 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 satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current Assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. 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 financial liabilities.

All other liabilities are classified as non-current.



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015

1. Significant accounting policies (*Continued*)

1.4 Revenue recognition

- Fee income including advisory fees is accounted for on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Brokerage income on mutual fund broking business is recognised as per contracted rates at the execution of transactions on behalf of the customers.
- Income from treasury operations comprises of profit/loss on sale of securities profit/loss on sale of securities is determined based on the first In first out method.
- Profit/loss earned on sale of investments is recognised on trade date basis. Profit/loss on sale of investments is determined based on the first In first out method.
- 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.

1.5 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 the 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.

1.6 Stock-in-trade

- Stock is valued at cost or market value whichever is lower on FIFO basis.

1.7 Investments

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



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015

1. Significant accounting policies (*Continued*)

1.8 *Earnings per share*

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earnings Per Share as prescribed under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic 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 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 earning per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.9 *Fixed assets and depreciation*

Tangible fixed assets

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.

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 fixtures	10 years
Motor vehicle	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.



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015

1. Significant accounting policies (*Continued*)

1.10 *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 benefits 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 recognizes 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 are recognised immediately in 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 statement of profit and loss of the year and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

1.11 *Taxation*

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

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 credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively 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 the assets. Deferred tax assets are reviewed at each balance sheet date and written



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015

1. Significant accounting policies (*Continued*)

1.11 Taxation (continued)

Deferred taxation (continued)

down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Minimum alternative tax (MAT) credit

MAT credit asset is recognized when 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.

1.12 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.



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.1 Share capital

Authorised:

22,50,000 (Previous year: 22,50,000) equity shares of Rs. 10 each

As at
31 March 2015

As at
31 March 2014

22,500,000

22,500,000

Issued, subscribed and paid up:

22,14,644 (Previous year: 22,14,664) equity shares of Rs. 10 each, fully paid-up

22,146,440

22,146,440

22,146,440

22,146,440

Note:

The entire paid-up share capital is held by Edelweiss Financial Services Limited, the holding company and its nominee.

Reconciliation of number of equity shares outstanding:

Number of shares outstanding at the beginning of the year

No. of Shares

2,214,644

No. of Shares

2,212,786

Shares issued during the year

-

1,858

Number of shares at the end of the year

2,214,644

2,214,644

Reconciliation of equity share capital:

Share capital at the beginning of the year

Amount

22,146,440

Amount

22,127,860

Share capital issued during the year

-

18,580

Share capital at the end of the year

22,146,440

22,146,440

Disclosure pursuant to share in the company held by each shareholder holding more than 5%

Name of Shareholder	31 March, 2015		31 March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Anant S Jatia	-	-	680,000	30.70%
Nalin L Moniz	-	-	680,000	30.70%
Radhika Gupta	-	-	680,000	30.70%
Ramanan Raghavendran	-	-	167,212	7.55%
Edelweiss Financial Services Limited	2,214,644	100.00%	-	-

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.

2.2 Reserves and surplus

Securities premium account

Opening balance

8,420,417

8,327,880

Add: Security premium credited on share issue

-

92,537

Closing balance

8,420,417

8,420,417

Surplus in statement of profit and loss

4,841,674

5,371,720

Add: Short provision created in the F.Y. 2011-12

(7,050)

-

Add: Loss for the year

(8,701,779)

(530,045)

(3,867,156)

4,841,674

4,553,261

13,262,091



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	812,000	-
Compensated leave absences	119,000	-
	<u>931,000</u>	<u>-</u>
2.4 Short-term borrowings		
<i>Unsecured</i>		
Loans and advances from related parties	76,975,079	-
	<u>76,975,079</u>	<u>-</u>
2.5 Other current liabilities		
Interest accrued and due on borrowings	229,349	-
Other payables		
Accrued salaries and benefits	20,000,000	743,920
TDS, service tax and other taxes payable	2,560,983	357,579
Deposits from customers	69,985,442	1,107,355
Advances from customer	12,254,845	6,941,035
Others	-	15,265
	<u>105,030,619</u>	<u>9,165,154</u>
2.6 Short-term provisions		
Provision for employee benefits		
Gratuity	275,000	-
Compensated leave absences	30,000	-
	<u>305,000</u>	<u>-</u>



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.7 Fixed assets

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 1 April 2014	Additions during the year	Deductions during the year	As at 31 Mar 2015	As at 1 April 2014	Adjustments	As at 31 Mar 2015	As at 31 March 2014
Tangible assets								
Furniture & Fixtures	24,300	-	-	24,300	24,294	-	6	6
Office equipments	18,375	20,100	-	38,475	9,023	11,586	17,866	9,352
Computers	665,335	157,239	-	822,574	351,476	289,053	182,045	313,859
Total : A	708,010	177,339	-	885,349	384,793	300,639	199,917	323,217
Intangible assets								
Computer software	-	633,281	-	633,281	-	114,712	518,569	-
Total : B	-	633,281	-	633,281	-	114,712	518,569	-
Grand Total [A+B]	708,010	810,620	-	1,518,630	384,793	415,351	718,486	323,217
Previous Year	547,973	160,037	-	708,010	210,504	174,289	323,217	337,469



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.8 Non-current investments

	As at 31 March 2015			As at 31 March 2014		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Investment in equity instrument (unquoted)						
Subsidiaries						
Shares in Forefront India Capital Management	USD 1	111,324	6,661,695	USD 1	39,584	2,339,339
			<u>6,661,695</u>			<u>2,339,339</u>
Investment in Partnership Firm						
Forefront Alternative Investment Advisors LLP	-	-	(3,997,176)	-	-	472,182
			<u>(3,997,176)</u>			<u>472,182</u>
Aggregate of unquoted investment						
- At book value			2,664,519			2,811,521

(a)	Partnership firm		31st March 2015	31st March 2014
	Forefront Alternative Investment Advisors LLP	Total Capital Rs. 100,000 (Previous year Rs. 7,01,00,000)		
Share of profit / loss	Forefront Capital Management Pvt Ltd		99.998%	0.142649%
	Anant Jatia		0.000%	0.000001%
	Nalin Moniz		0.001%	0.000001%
	Radhika Gupta		0.001%	0.000001%
	Navjyothi Publications Pvt Ltd		0.000%	57.061341%
	Radiant Texfab P. Ltd		0.000%	42.796006%



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.9 Deferred tax assets (net)		
Deferred tax assets		
<i>Tax effect of timing differences on account of</i>		
Disallowances under section 43B of the Income Tax Act, 1961	3,350,303	771,113
	3,350,303	771,113
Deferred tax liabilities		
<i>Tax effect of timing differences on account of</i>		
Difference between book and tax written down value	13,093	49,545
	13,093	49,545
	3,337,210	721,567
2.10 Long-term loans and advances		
Unsecured, considered good		
Loans and advances to related parties	-	981,986
	-	981,986
2.11 Other non-current assets		
Phone security deposit	-	7,000
Rent security deposit	-	360,000
Others	-	97,586
	-	464,586
2.12 Current investments		
Others(quoted)		
IDFC cash fund - direct Plan - growth	-	350,000
IDFC banking debt fund	-	9,158,000
IDFC banking debt fund	-	16,539,995
	-	26,047,995
Aggregate amount of quoted investments		
- At book value	-	26,047,995
- Net asset value	-	27,461,334
2.13 Stock-in-trade		
Securities		
Equity shares (quoted)	-	713,634
Mutual funds (unquoted)	16	857
	16	714,491



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

2.13(l) Stock-in-trade (continued)

Details of stock-in-trade

	As at 31 March 2015			As at 31 March 2014		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Securities						
Equity shares (quoted)						
Amara raja batteries ltd	-	-	-	1	78	18,950
Andhra bank	-	-	-	10	267	13,834
Axis bank ltd	-	-	-	2	14	15,368
Biocon ltd	-	-	-	5	103	38,918
Britannia industries ltd	-	-	-	2	41	28,414
Castrol india ltd	-	-	-	5	143	44,466
Coal india ltd	-	-	-	10	110	28,641
Colgate-palmolive (india) ltd	-	-	-	1	27	33,576
Cummins india ltd	-	-	-	2	99	39,724
Engineers india ltd	-	-	-	5	119	14,935
Federal bank ltd	-	-	-	2	224	12,065
Hdfc bank ltd	-	-	-	2	36	20,175
Hero motocorp ltd	-	-	-	2	18	34,321
Hindustan unilever ltd	-	-	-	1	60	35,796
Indraprastha gas ltd	-	-	-	10	122	33,002
Infosys ltd	-	-	-	5	11	33,638
Ing vysya bank ltd	-	-	-	10	37	22,315
Mahindra & mahindra ltd	-	-	-	5	64	14,635
Mphasis ltd	-	-	-	10	78	30,528
Petronet lng ltd.	-	-	-	10	264	33,023
Rural electrification corporation ltd	-	-	-	10	75	15,650
Shree cement ltd	-	-	-	10	6	26,616
Tata consultancy services ltd	-	-	-	1	20	36,951
Torrent pharmaceuticals ltd	-	-	-	5	93	45,169
Wipro ltd	-	-	-	2	94	42,925
					2,203	713,634
Liquid Bees						
Liquidbees Evr			-		0.841	841
Goldman Sachs Mutual fund (Liquid Bees)	0.016		16	0.016		16
	0.016		16	0.857		857
Total			16			714,491
Aggregate amount of quoted investments						
- At book value			16			714,491
- Net asset value			16			845,954



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.14 Trade receivables		
Debtors outstanding for a period exceeding six months		
Unsecured, considered good	-	433,534
Other debts	-	433,534
Unsecured, considered good	20,100,007	-
	<u>20,100,007</u>	<u>-</u>
	<u>20,100,007</u>	<u>433,534</u>
Out of above, the total trade receivables from related parties	19,225,858	-
	<u>19,225,858</u>	<u>-</u>
2.15 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	1,430	1,025
Balances with banks		
- in current accounts	15,506,792	27,514,560
Other bank balances		
- in fixed deposits with bank including accrued interest (Refer note 2.34)	69,999,544	1,107,355
	<u>85,507,766</u>	<u>28,622,940</u>



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

	As at 31 March 2015	As at 31 March 2014
2.16 Short-term loans and advances		
Unsecured, considered good		
Loans and advances to related parties	96,066,507	2,879,787
Other loans and advances		
Prepaid expenses	12,835,106	6,853,665
Loans and advances to employees	42,887	-
Vendor advances	171,973	-
Cenvat and VAT assets	-	177,791
Advance income tax	4,814,300	2,021,366
Advance to Employees	-	2,784
Advances recoverable in cash or in kind or for value to be received	-	698,815
	113,930,773	12,634,208
2.17 Other current assets		
Accrued interest on loans given	921,573	-
Receivable from Forefront India Capital Management (Net of payable Rs 1,091,314 (Previous year Rs.503,775))	-	587,476
	921,573	587,476



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)

For the year ended
31 March 2015

For the year ended
31 March 2014

2.18 Fee and commission income

Advisory and other fees	30,709,205	8,947,954
Sale of products	925,242	6,436,511
Income from operating revenue	-	233,343
Gain on foreign transfer	-	62,407
	<u>31,634,447</u>	<u>15,680,214</u>

2.19 Income from treasury operations and investments

Profit on sale of current investment	1,095,249	774,569
Profit on sale of long term investment	868,397	514,600
Dividend on inventories	1,217	48,214
Share of loss in partnership firm (net)	(4,564,996)	(6,833)
	<u>(2,600,133)</u>	<u>1,330,550</u>

2.20 Interest income

Interest on loan to body corporate	1,285,236	-
Interest on loan to LLP	3,679,546	-
	<u>4,964,782</u>	<u>-</u>

2.21 Other income

Miscellaneous income	13,302	1,895
Interest on fixed deposit	4,580,454	55,639
	<u>4,593,756</u>	<u>57,534</u>



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency : Indian Rupees)	For the year ended 31 March 2015	For the year ended 31 March 2014
2.22 Employee benefit expenses		
Salaries and wages (refer note 2.35)	17,976,620	5,255,787
Contribution to provident and other funds	700,215	-
Staff welfare expenses	48,986	96,728
	<u>18,725,821</u>	<u>5,352,515</u>
2.23 Finance costs		
Interest expense	2,666,824	-
Interest - others(client)	4,580,454	55,639
Financial and bank charges	8,999	14,189
	<u>7,256,277</u>	<u>69,828</u>
2.24 Other expenses		
Advertisement and business promotion	51,517	70,953
Auditors' remuneration (refer note 2.28)	60,000	60,000
Bad- debts written off	-	299,178
Commission and brokerage	2,050,000	302
Communication (refer note 2.35)	889,522	939,781
Computer software	284,850	278,445
Clearing and custodian charges	25,769	15,315
Dematerialisation charges	-	20,000
Electricity charges (refer note 2.35)	143,250	135,687
Insurance	102,736	-
Legal and professional fees	1,688,508	183,000
Membership and subscription	469,109	243,860
Office expenses	463,738	298,595
Postage and courier	3,970	36,426
Printing and stationery	117,573	81,346
Rates and taxes	2,265	25,015
Rent (refer note 2.35)	1,165,213	487,488
Repairs and maintenance - others	-	4,300
ROC expenses	24,800	18,260
Security transaction tax	-	13
Service tax expenses	7,118	-
Site related expenses	7,140	9,412
Travelling and conveyance (refer note 2.35)	238,164	195,858
Miscellaneous expenses	23,816	39,524
Selling & Distribution expenses	14,972,052	2,843,219
Housekeeping and security charges	800	9,600
Preliminary Expenses	-	57,073
Processing Charges	6,440	-
	<u>22,798,350</u>	<u>6,352,649</u>



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

2.25 Related parties

i. List of related parties and relationship:

In accordance with Accounting Standard 18 on Related Party Transaction notified under section 133, of the companies act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Name of related parties by whom control is exercised	Edelweiss Financial Services Limited (Holding Company)
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Commodities Services Limited Edelweiss Web Services Ltd Edelweiss Securities Limited
Subsidiary	Forefront India Capital Management
Partnership Firm	Forefront Alternative Investment Advisors LLP Forefront Wealth Advisors LLP (upto 02 Septemebr 2014)
Directors and Key Management Personnel	Nikhil Johari Sanjeev Chandiramani
Directors (with whom transactions have taken place)	Anant Jatia (upto 30 April 2014) Radhika Gupta (upto 15 May 2014) Nalin Moniz (upto 30 April 2014)
Relative of Directors (with whom transactions have taken place)	Luis Moniz
Director Interested as director	Maheshwari Investor Pvt Ltd
Enterprise over which significant influence is exercised	Forefront India Dynamic Value Fund

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	Amount	Amount
			2014-15	2013-14
1	Capital Account Transaction during the year			
	Investment in Equity Shares	Forefront India Capital Management	6,661,695	2,339,339
	Investment in Partnership firm	Forefront Alternative Investment Adviosrs LLP	3,997,176	472,182
	Capital withdrawn from partnership firm	Forefront Wealth Advisors LLP	99,998	-
	Capital contribution in partnership firm	Forefront Alternative Investment Adviosrs LLP	1	-
2	Current Account Transaction during the year			
	Share of losses in partnership firm	Forefront Wealth Advisors LLP	95,637	-
		Forefront Alternative Investment Adviosrs LLP	4,469,359	6,833
	Short term loans taken from (Refer note below)	Edelweiss Financial Services Limited	76,975,079	-



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

Transactions with related parties : (Continued)				
Sr. No.	Nature of Transaction	Related Party Name	Amount	Amount
			2014-15	2013-14
	Short Term Loans given to (Refer note below)	Edelweiss Commodities Services Limited	41,696,000	-
		Forefront Alternative Investment Advisors LLP	92,000,000	-
	Repayment of loans by (Refer note below)	Forefront Alternative Investment Advisors LLP	38,540,000	-
	Cost Sharing Expenses	Forefront Alternative Investment Advisors LLP	18,780,000	2,928,737
	Interest Expenses on loan from	Edelweiss Financial Services Limited	2,666,824	-
	Interest accrued on loans given to	Edelweiss Commodities Services Limited	1,285,236	-
		Forefront Alternative Investment Advisors LLP	3,679,546	-
	Cost reimbursement receivable from	Forefront Alternative Investment Advisors LLP	19,225,858	2,879,787
	Reimbursement paid to	Edelweiss Financial Services Limited	1,816,270	-
		Edelweiss Commodities Services Limited	5,400	-
		Edelweiss Web Services Ltd	7,851,348	-
	Processing Fees paid to	Edelweiss Web Services Ltd	6,440	-
	Reimbursement received from	Forefront Alternative Investment Advisors LLP	2,941,832	1,970,465
	Reimbursement receivable from	Forefront India Capital Management	1,091,250	1,091,250
	Incomes from (Management & Performance fees)	Luis Moniz	3,025	35,219
		Maheshwari Investor Private limited	-	1,429,757
	Expenses paid on behalf of	Forefront Wealth Advisors LLP	33,311	71,534
		Forefront Alternative Investment Advisors LLP	64,695	80,920
	Commission and brokerage paid to	Edelweiss Securities Limited	775,520	-
	Remuneration paid to	Radhika Gupta	110,000	-
		Nalin Moniz	110,000	-
	Compounding fees paid on behalf of director	Anant Jatia	75,000	-
		Radhika Gupta	75,000	-
		Nalin Moniz	75,000	-
3	Balances with Related party			
	Short term loans taken from (Refer note below)	Edelweiss Financial Services Limited	76,975,079	-
	Trade Payables	Edelweiss Financial Services Limited	145,809	-
		Edelweiss Commodities Services Limited	2,754,969	-
		Edelweiss Web Services Ltd	6,592	-
		Forefront Wealth Advisors LLP	81,424	71,534
		Luis Moniz	-	15,478
		Maheshwari Investor Private limited	-	1,873,047
	Other liabilities			
	Interest accrued and due on borrowings	Edelweiss Financial Services Limited	229,349	-



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

Transactions with related parties : (Continued)				
Sr. No.	Nature of Transaction	Related Party Name	Amount	Amount
			2014-15	2013-14
Unsecured		Forefront Alternative Investment Advisors LLP	53,460,000	-
		Edelweiss Commodities Services Limited	41,696,000	-
		Forefront India Dynamic Value fund	910,507	848,489
		Forefront India Capital Management	-	61,963
Share application money payable		Forefront India Capital Management	1,091,314	503,775
Other assets				
Accrued interest on loans given		Forefront Alternative Investment Advisors LLP	703,623	-
		Edelweiss Commodities Services Limited	217,950	-
Trade Receivable		Luis Moniz	3,025	1,945
		Maheshwari Investor Private limited	-	4,289
Loan given/taken to/from parties 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.				



Forefront Capital Management Private Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

2.26 Segment reporting

Primary segment (Business segment)

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, Interest Income on Loan
Agency business	Income from Management fees, Advisory Fees, Brokerage Mutual Fund

Income for each segment has been specifically identified. Expenditure, 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.

Secondary segment

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 on segment assets and liabilities as at March 31, 2015 and the segment revenue, expenses and result for the year ended on that date:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
I Segment revenue		
a) Capital based business	2,364,649	1,330,550
b) Agency business	36,228,203	15,737,748
c) Unallocated	-	-
Total	38,592,852	17,068,298
Less : Inter Segment Revenue	-	-
Total Income	38,592,852	17,068,298
II Segment results		
a) Capital based business	(2,542,950)	(5,474,283)
b) Agency business	(8,765,471)	4,507,071
c) Unallocated	2,606,642	437,166
Total	(8,701,779)	(530,046)
Loss before taxation	(11,317,422)	(981,400)
Less : Deferred Tax	(2,615,643)	(451,355)
Loss after taxation	(8,701,779)	(530,045)
Particulars	As at March 31, 2015	As at March 31, 2014
III Segment assets		
a) Capital based business	101,979,054	34,139,361
b) Agency business	102,634,308	9,946,667
c) Unallocated	23,658,302	30,257,494
Total	228,271,664	74,343,522
IV Segment liabilities		
a) Capital based business	78,505,595	57,991
b) Agency business	120,505,385	38,519,420
c) Unallocated	2,560,983	357,580
Total	201,571,963	38,934,991
V Capital expenditure (Including capital work-in-progress)		
a) Capital based business	-	-
b) Agency business	-	-
c) Unallocated	-	-
Total	-	-
Particulars	As at March 31, 2015	As at March 31, 2014
VI Depreciation and amortisation		
a) Capital based business	25,449	13,587
b) Agency business	389,902	160,702
c) Unallocated	-	-
Total	415,351	174,289
VII Significant non-cash expenses other than depreciation and amortisation		
a) Capital based business	18,688	-
b) Agency business	286,312	-
c) Unallocated	-	-
Total	305,000	-



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(Currency: Indian Rupees)

2.27 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 2015	For the year ended 31 March 2014
(a)	Profit after tax (as per statement of profit and loss)	(8,701,779)	(530,045)
	Less: dividend on preference share capital	-	-
	Net profit for the year attributable to equity shareholders	(8,701,779)	(530,045)
(b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	2,214,644	2,212,786
	Number of Shares issued during the year	-	1,858
	Total number of equity shares outstanding at the end of the year	2,214,644	2,214,644
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	2,214,644	2,214,644
(c)	Basic and diluted earnings per share (in rupees) (a)/(b)	(3.93)	(0.24)

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

2.28 Auditors' remuneration

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
As Auditors	60,000	60,000
Total	60,000	60,000



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(Currency: Indian Rupees)

2.29 Foreign currency transaction

The Company has undertaken the following transactions in foreign currency during the year.

Particulars	For the year ended 31 March 2015 (USD)	For the year ended 31 March 2014 (USD)
Investment in Equity Share Capital	62,000	31,000
Receipt from Intern (Reimbursement)	-	2,486
Expenses paid on behalf of Forefront India Dynamic Value Fund	-	14,118
Expenses paid on behalf of Forefront India Capital Management	-	1,032
Share Application Money Forefront India Capital Management	-	9,775

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

Securities

Particulars	For the year ended 31 March 2015 Amount (Rs.)	For the year ended 31 March 2014 Amount (Rs.)
Opening stock		
Liquid Bees	857	9,280
Equity shares	713,634	3,787,026
	714,491	3,796,306
Purchase		
Liquid Bees	-	258
Equity shares	-	3,018,343
	-	3,018,601
Sales/written off		
Liquid Bees	841	8,677
Equity shares	925,242	6,427,834
	926,083	6,436,511
Closing stock		
Liquid Bees	16	857
Equity shares	-	713,634
	16	714,491
Profit / (loss) on sale of securities (net)	211,592	(378,396)



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(Currency: Indian Rupees)

2.31 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits:

A) Defined contribution plan (provident fund)

Amount of Rs. 700,215 (Previous year: Rs. Nil) is recognised as expenses and included in "employee benefit" – Note 2.22 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 2015	For the year ended 31 March 2014
Current service cost	210,000	-
Past Service Cost	877,000	-
Total included in employee benefit expenses	1,087,000	-

Balance sheet

Details of provision for gratuity:

	For the year ended 31 March 2015	For the year ended 31 March 2014
Liability at the end of the year	1,087,000	-
Amount in balance sheet	1,087,000	-

Non-current liability at the end of the year Rs. 812,000/-

Current liability at the end of the year Rs. 275,000/-

Amount recognised in the balance sheet:

	For the year ended			
	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Liability at the end of the year	1,087,000	-	-	-
Fair value of plan assets at the end of year	-	-	-	-
Amount recognized in balance sheet	1,087,000	-	-	-



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(Currency: Indian Rupees)

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

Experience adjustment:

	For the year ended				
	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
On plan liabilities (gain)/loss	1,087,000	-	-	-	-
On plan assets (gain)/loss	-	-	-	-	-
Estimated contribution for next year	-	-	-	-	-

Principle actuarial assumptions at the balance sheet date:

	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate current	7.80%	-
Salary escalation current	7.00%	-
Employees attrition rate	13%-25%	-

2.33 Contingent liabilities and commitments

- (i) The Company has capital commitments of Rs.53,000/- (Previous year: Rs. Nil) as at the balance sheet date.
- (ii) The Company has no contingent liabilities as at the balance sheet date (Previous year: Rs. Nil).

2.34 Additional disclosure on Fixed deposits

The Company has pledged fixed deposits with bank amounting to Rs. 69,999,544 (Previous year: Rs.1,107,355) on behalf of the client for Initial Margin.

2.35 Cost sharing

Fellow subsidiaries, Edelweiss Commodities Services Limited (ECSL) and Forefront Capital Management Private Limited (FCMPL) incur expenditure like common senior management compensation cost, electricity, communication, travelling and rent which is for the benefit of the Company. These costs so expended are reimbursed by the Company (FCMPL) to fellow subsidiaries Company (ECSL) and by the Forefront Alternative Investment Advisors LLP (FAIA) to (FCMPL) on the basis of number of employees, area occupied and time spent by employees of (FCMPL) for the company, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in note 2.22 and 2.24 are gross of the reimbursement.



Forefront Capital Management Private Limited

Notes to the financial statements for the year ended 31 March 2015 (Continued)

(Currency: Indian Rupees)

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.

2.37 Prior year comparatives

Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached.

For A.M.Jain and Co.

Chartered Accountants

Firm Registration No.: 103883W

For and on behalf of the Board of Directors



(C.A Arun Kumar Jain)

Partner

Membership No.: 038983

Mumbai

Date: 13 May 2015



Nikhil Johari

Director

DIN No:01960539



Sanjeev Chandiramani

Director

DIN No:01674794

