

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF RR EQUITY BROKERS PRIVATE LIMITED

**Report on the Financial Statements**

I have audited the accompanying financial statements of **RR EQUITY BROKERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the 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 standalone 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 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**

My responsibility is to express an opinion on these financial statements based on my audit.

I 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 thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that I 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.

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



### Opinion

In my opinion and to the best of my information and according to the explanations given to me, 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 March 31, 2016, and its Loss and its cash flows for the year ended on that date.

### Emphasis of Matter

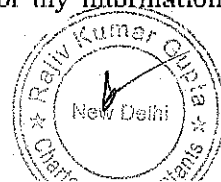
I draw your attention to the following matters in the notes to the financial statements:

- (a) Note no.1(a) of the financial statement with respect to preparation of financial statements require estimates and assumption to be made that affect the reported amount of assets, liabilities, revenues and expenses. Accordingly revenues and expenses at the end of the year provided on estimated basis. We relied on the management estimates.
- (b) Note no.38 of the financial statement with respect to- No provision has been made for Sundry debtors more than 6 month which also includes debtors outstanding from the earlier years, as steps is being taken by the management to reconcile and recover the amount.
- (c) Note no.18 of the financial statement regarding balances of parties accounts shown net (i.e. net of debit and credit) as in the opinion of the management it is difficult to differentiate parties as nature of account differs from day to day. Accordingly aging bifurcation has not been done.

My opinion is not modified in respect of these matters.

### 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 Act (hereinafter referred as the "order"), and on the basis of such checks of the books and records of the company as I considered appropriate and according to the information & explanations given to me, I 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, I report that :
  - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
  - b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my 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 my opinion, the aforesaid financial statements comply with the applicable 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 March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of internal financial controls over the 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 my opinion and to the best of my information and according to the explanations given to me:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 30 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year in consideration.

New Delhi  
30<sup>th</sup> May 2016



*Rajiv Gupta*  
**Rajiv Kumar Gupta**  
Chartered Accountant  
Membership No. 83497

### **Annexure - A to the Independent Auditor's Report**

The Annexure referred to in my Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2016, I report that:

- i.
  - a. The Company has maintained proper records of Fixed Assets but full particulars including quantitative details and situation of fixed assets has not been shown.
  - b. According to information and explanation given to me the fixed assets were physically verified during the period and no material discrepancies were noted. In my opinion, the frequency of verification is reasonable.
  - c. According to the information and explanation given to me and on the basis of the examination of records of the company, there is no immovable properties are held in the books of the company.
- ii. As explained to me physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and books records were not material considering the operations of the company and the same have been properly dealt with in the book of account.
- iii. During the year the Company has granted loans to the parties (Group companies including subsidiary) listed in the register maintained under Section 189 of the Act. The terms & condition on which the loan has been granted were not prima facie prejudicial to the interest of the company. According to information and explanation given to me, there is no stipulation with regard to its repayment and interest. The said loan is repayable on demand.
- iv. In my opinion and according to the information and explanation given to me, the company has complied with the provisions of section 185 and 186 of the companies Act, 2013, with respect to loans and investment made.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act, and the rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
  - a. According to the records of the Company and the information and explanation given to us, the Company has been generally regular in depositing its undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income Tax, Service Tax and any other material statutory dues whichever is applicable to the Company with the appropriate authorities during the year. However there are some delays in depositing of Provident Fund, ESI, TDS and Service Tax dues.
  - b. According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.



- c. According to the information and explanation given to us, no statutory due is outstanding on account of dispute.
- viii. According to the records of the Company examined by me and the information and explanation given to me, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- ix. In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purpose for which they were obtained. Further as per the records, the company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- x. Based upon the audit procedures performed and to the best of our knowledge and belief and according to the explanations given to me, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to me and based on my examination of the records of the company, the company has not paid form managerial remuneration during the year.
- xii. In our opinion and according to the information and explanations given to me, the company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the order is not applicable.
- xiii. According to the information and explanations given to me and based on my examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to me and based on my examination of the records of the company, the company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to me and based on my examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 is not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

New Delhi  
May 30, 2016



*Rajiv*  
**Rajiv Kumar Gupta**  
Chartered Accountant  
Membership No. 83497

## **Annexure B to the Independent Auditor's 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 RR Equity Brokers Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the 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.

#### **Auditor's 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 my opinion, 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 March 31, 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.

New Delhi  
May 30, 2016



*Rajiv K Gupta*  
**Rajiv Kumar Gupta**  
Chartered Accountant  
Membership No. 83497

**RR EQUITY BROKERS PRIVATE LIMITED**  
BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in ₹)

S.No.	PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<b><u>SHAREHOLDERS FUNDS</u></b>			
	(a) SHARE CAPITAL	2	100,000,000.00	100,000,000.00
	(b) RESERVES AND SURPLUS	3	12,026,376.38	19,726,490.92
	TOTAL (i)		112,026,376.38	119,726,490.92
2	<b><u>SHARE APPLICATION MONEY PENDING ALLOTMENT</u></b>	4	-	-
3	<b><u>NON-CURRENT LIABILITIES</u></b>			
	(a) LONG TERM BORROWINGS	5	26,113,590.00	37,950,418.00
	(b) DEFERRED TAX LIABILITIES (NET)	6	293,950.00	454,583.00
	(c) LONG-TERM PROVISIONS	7	-	-
	TOTAL (ii)		26,407,540.00	38,405,001.00
4	<b><u>CURRENT LIABILITIES</u></b>			
	(a) SHORT TERM BORROWINGS	8	82,563,132.43	99,122,255.93
	(b) TRADE PAYABLES	9	-	2,842,930.56
	(c) OTHER CURRENT LIABILITIES	10	32,217,400.59	37,254,812.05
	(d) SHORT TERM PROVISIONS	11	-	-
	TOTAL (iii)		114,780,533.02	139,219,998.54
	<b>TOTAL (i+ii+iii)</b>		<b>253,214,449.40</b>	<b>297,351,490.46</b>
<b>II</b>	<b><u>ASSETS</u></b>			
1	<b><u>NON-CURRENT ASSETS</u></b>			
	(a) FIXED ASSETS			
	(i) TANGIBLE ASSETS	12	2,713,807.60	3,406,125.46
	(ii) INTANGIBLE ASSETS	12	11,607.55	235,990.99
	(b) NON-CURRENT INVESTMENTS	13	13,378,000.00	13,378,000.00
	(c) DEFERRED TAX ASSETS (NET)	14	-	-
	(d) LONG-TERM LOANS AND ADVANCES	15	43,864,586.88	54,849,586.88
	(e) OTHER NON-CURRENT ASSETS	16	25,000.00	50,000.00
	TOTAL (i)		59,993,002.03	71,919,703.33
2	<b><u>CURRENT ASSETS</u></b>			
	(a) CURRENT INVESTMENTS	17	-	-
	(b) TRADE RECEIVABLES	18	45,936,198.68	-
	(c) CASH AND CASH EQUIVALENTS	19	129,489,693.95	186,254,225.47
	(d) SHORT-TERM LOANS AND ADVANCES	20	17,795,554.74	38,105,328.66
	(e) OTHER CURRENT ASSETS	21	-	1,072,233.00
	TOTAL (ii)		193,221,447.37	225,431,787.13
	<b>TOTAL (i+ii)</b>		<b>253,214,449.40</b>	<b>297,351,490.46</b>

Significant Accounting Policies and Notes Forming Part of the Financial Statements (1-41)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

RAJESH SHARMA  
01801382  
Director

*P. Gupta*  
PAWAN GUPTA  
07245876  
Director

**AUDITOR'S REPORT**  
SIGNED IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE.

*RKG*  
RAJIV KUMAR GUPTA  
(Chartered Accountants)  
(Membership No. 83497)



PLACE: NEW DELHI  
DATED: 16/05/2016





**RR EQUITY BROKERS PRIVATE LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

S.No	PARTICULARS	NOTE No	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
	<b>REVENUE FROM OPERATIONS</b>			
I	REVENUE FROM OPERATIONS	22	55,094,492.01	99,373,821.00
II	OTHER INCOME	23	4,242,677.40	9,569,748.54
III	<b>TOTAL REVENUE(I+II)</b>		<b>59,337,169.41</b>	<b>108,943,569.54</b>
	<b>EXPENSES:</b>			
IV	<b>EMPLOYEE BENEFITS EXPENSES</b>	24	6,249,441.00	11,585,507.39
a	EMPLOYEE BENEFITS EXPENSES			
b	FINANCE COSTS	25	18,298,159.95	18,617,183.18
c	DEPRECIATION AND AMORTIZATION EXPENSE	26	941,701.30	1,225,686.78
d	OTHER EXPENSES	27	39,754,722.41	76,455,547.67
	<b>TOTAL EXPENSES</b>		<b>65,244,024.66</b>	<b>107,883,925.02</b>
V	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)</b>		(5,906,855.25)	1,059,644.52
VI	EXCEPTIONAL ITEMS		-	-
VII	<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)</b>		(5,906,855.25)	1,059,644.52
VIII	EXTRAORDINARY ITEMS		899,371.00	-
IX	<b>PROFIT BEFORE TAX (VII-VIII)</b>		(6,806,226.25)	1,059,644.52
X	<b>TAX EXPENSE</b>			
a	CURRENT TAX		-	100,000.00
b	EARLIAR YEARS TAX		1,054,521.29	-
c	DEFERRED TAX		(160,633.00)	(172,123.00)
XI	<b>PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)</b>		(7,700,114.54)	1,131,767.52
XII	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS		-	-
XIII	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
XIV	PROFIT(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)		-	-
XV	<b>PROFIT (LOSS) FOR THE PERIOD (XI+XIV)</b>		<b>(7,700,114.54)</b>	<b>1,131,767.52</b>
XVI	<b>EARNING PER EQUITY SHARE</b>			
a	BASIC	28	(0.077)	0.011
b	DILUTED		0.000	0.000

Significant Accounting Policies and Notes Forming Part of the Financial Statements

(1-41)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**AUDITOR'S REPORT**  
**SIGNED IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE.**

*R. Sharma*

*P. Gupta*

RAJESH SHARMA  
01801382  
Director

PAWAN GUPTA  
07245876  
Director

PLACE NEW DELHI  
DATED 16/05/2016

*RKG*  
**RAJIV KUMAR GUPTA**  
(Chartered Accountants)  
(Membership No.) 83497



# RR EQUITY BROKERS PRIVATE LIMITED

Standalone Cash Flow Statement For The Year Ending On 31st March 2016

	Particulars	Current Period (Amount in Rs.)	Previous Period (Amount in Rs.)
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	(59,06,855.25)	10,59,644.52
	<u>Adjustments for:</u>		
	Depreciation	9,16,701.30	11,65,566.78
	Amortisation of Capital Revaluation Reserve		
	Miscellaneous expenditure written off	25,000.00	60,120.00
	Interest and dividend income	37,79,706.87	88,81,607.54
	Interest expense	1,82,98,159.95	1,86,17,183.18
	Unrealised foreign exchange (gain) / loss		
	(Profit) / loss on sale of fixed assets		
	Profit on sale of investment		
	<b>Operating profit before working capital changes</b>	<b>1,71,12,712.87</b>	<b>2,97,84,122.02</b>
	<u>Adjustments for:</u>		
	(Increase) / decrease in inventories		
	(Increase) / decrease in sundry debtors	(4,59,36,198.68)	
	(Increase) / decrease in loans and advances / Other Current Assets	3,23,67,006.92	1,49,28,848.11
	Increase/(decrease) in trade payables and other liabilities	(78,80,342.02)	(1,57,59,160.08)
	<b>Cash generated from operations</b>	<b>(43,36,820.91)</b>	<b>2,89,53,810.05</b>
	Current taxes paid	(10,54,521.29)	(1,00,000.00)
	Cash Flow before Extra ordinary Items	(53,91,342.20)	2,88,53,810.05
Extra-ordinary items	(8,99,371.00)		
<b>Net cash from operating activities (A)</b>	<b>(62,90,713.20)</b>	<b>2,88,53,810.05</b>	
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets	-	-
	Sale of fixed assets	-	-
	(Increase)/decrease in current investments	-	-
	Profit on sale of investment	-	-
	Loans/ deposits with subsidiaries	-	-
	Interest and dividend received	(37,79,706.87)	(88,81,607.54)
<b>Net cash used in investing activities (B)</b>	<b>(37,79,706.87)</b>	<b>(88,81,607.54)</b>	
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of share capital	-	-
	Repayment of long term borrowings	(1,18,36,828.00)	(1,04,09,646.00)
	Proceeds from long term borrowings	-	-
	Repayment from short term borrowings	(1,65,59,123.50)	7,47,99,690.86
	Proceeds from Short term borrowings	-	-
	Interest paid	(1,82,98,159.95)	(1,86,17,183.18)
	Dividend paid	-	-
	Corporate dividend tax	-	-
	<b>Net cash used in financing activities (C)</b>	<b>(4,66,94,111.45)</b>	<b>4,57,72,861.68</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(5,67,64,531.52)</b>	<b>6,57,45,064.19</b>
	Cash and cash equivalents at the beginning of the year	18,62,54,225.47	12,05,09,161.28
	Cash and cash equivalents at the end of the year	12,94,89,693.95	18,62,54,225.47

**Notes:**

1. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 issued by the Institute of Chartered Accountants of India
2. Previous year's figures regrouped / recasted where ever necessary

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

*R. Sharma*

**RAJESH SHARMA**  
(DIN No.01801382)  
Director

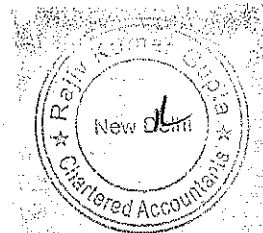
*P.P. Gupta*

**PAWAN GUPTA**  
(DIN No.07245876)  
Director

**AUDITOR'S REPORT**  
SIGNED IN TERMS OF OUR SEPARATE  
REPORT OF EVEN DATE.

*R.K. Gupta*

**RAJIV KUMAR GUPTA**  
(Membership No.) 83497

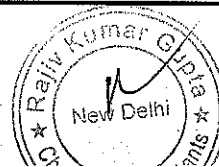


PLACE: NEW DELHI  
DATED: 16/05/2016

**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
1		<b><u>SIGNIFICANT ACCOUNTING POLICIES:</u></b>		
	a	<b><u>Basis of Preparation of Financial Statements</u></b> The accounts have been prepared on a going concern basis under the historical cost convention, according to the accrual system of accounting in accordance with the generally accepted accounting principles, provisions of Companies Act 2013 and Accounting Standards notified u/s 133 of the companies Act 2013, read with rule 7 of the companies (Accounts) rules, 2014 till the standards of accounting or any addendum thereto are prescribed by central government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 2013 shall continue to apply, materially comply with the mandatory accounting statements and standards issued by the Institute of Chartered Accountants of India and the relevant presentational requirements of the Companies Act, 2013.		
	b	<b><u>Use of Estimates</u></b> The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the result are known / materialised.		
	c	<b><u>Revenue Recognition</u></b> Income is being accounted for on accrual basis		
	d	<b><u>Fixed Assets and Depreciation</u></b>		
		i) Fixed Assets are stated at cost, including freight, installation, duties and taxes, finance charges and other incidental expenses incurred during construction or installation to bring the assets to their state of intended use.		
		ii) Depreciation on Tangible Assets is provided on the Straight Line Method by considering the revised useful life of the assets in the manner prescribed under schedule II to the Companies Act, 2013.		
		iii) Intangible assets are amortised over their respective individual estimated useful lives on straight line method.		
	e	<b><u>Impairment of Assets</u></b> Impairment loss is provided; if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.  Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amounts that would be determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.		
	f	<b><u>Valuation of Investment</u></b> Investments are valued at acquisition cost Provision is made for diminution in the value of investment which is perceived to be of permanent nature.		
	g	<b><u>Valuation of Stock</u></b> Stocks of quoted shares / debentures and other securities are valued at cost or market price whichever is less, by comparing each scrip with its market price. Market price of each scrip is determined on the basis of the closing price of the scrip prevailing at the principal stock exchange where the same is traded. Stock of Unquoted shares & debentures are valued at cost.		
	h	<b><u>Method of Accounting</u></b> Mercantile method of accounting is employed.		
	i	<b><u>Taxation</u></b>		
		i) Provision for Income Tax for the current period is made if applicable on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.		
		ii) Deferred Tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.		
	j	Gratuity is being provided on cash basis.		
	k	<b><u>Foreign Currency Transactions</u></b>		
		i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the time of transaction.		
		ii) Monetary items denominated in foreign currencies at the year-end are translated at the year end rate, the resultant gain or loss will be recognized in the statement of profit and loss account.		
		iii) Any gain or loss arising on account of exchange difference on settlement of transaction is recognized in the statement of profit and loss account.		
	l	<b><u>Provision and contingencies</u></b> The company creates a provision when there exists a present obligation as a result of 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 likelihood of outflow of resources is remote, no provision or disclosure is made.		





**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
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m **Research and Development**  
 Revenue expenditure on research and development is charged as an expense in the year in which it is incurred under respective heads of accounts. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

n **Earnings per share**  
 The Basic earning per share and diluted earning per share have been computed in accordance with Accounting Standard (AS-20) on, "Earnings Per Share" and is also shown in the Statement of Profit and Loss.

**2 SHARE CAPITAL:**

a **DISCLOSURE PURSUANT TO NOTE No.6(A) (a,b & c) OF PART I OF SCHEDULE #1 TO THE COMPANIES ACT, 2013**

(i) **AUTHORISED:**

10,00,00,000 (PREVIOUS YEAR 10,00,00,000) EQUITY SHARES OF ₹ 1/-EACH	100,000,000.00	100,000,000.00
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(ii) **ISSUED, SUBSCRIBED & PAID UP**

10,00,00,000 (PREVIOUS YEAR 10,00,00,000) EQUITY SHARES OF ₹ 1/-EACH	100,000,000.00	100,000,000.00
	100,000,000.00	100,000,000.00

b **DISCLOSURE PURSUANT TO NOTE No.6(A) (d) OF PART I OF SCHEDULE #1 TO THE COMPANIES ACT, 2013**

PARTICULARS	EQUITY SHARES		PREFERENCE SHARES	
	Number	₹	Number	₹
Shares Outstanding at the Beginning of the year	100,000,000	100,000,000.00	-	-
Shares Issued during the Year	-	-		
Shares bought back during the year	-	-		
Shares Outstanding at the End of the year	100,000,000	100,000,000.00	-	-

c **DISCLOSURE PURSUANT TO NOTE No.6(A) (g) OF PART I OF SCHEDULE #1 TO THE COMPANIES ACT, 2013 (more than 5%)**

PARTICULARS	CURRENT REPORTING YEAR		PREVIOUS REPORTING YEAR	
	No.of Share held	% of Holding	No.of Share held	% of Holding
RR FINANCIAL CONSULTANTS LTD.	100,000,000	100.00%	100,000,000	100.00%
	100,000,000	100.00%	100,000,000	100.00%

d **DISCLOSURE PURSUANT TO NOTE No.6(A) (i) OF PART I OF SCHEDULE #1 TO THE COMPANIES ACT, 2013**

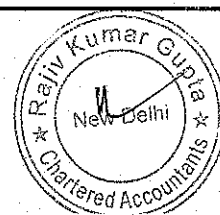
PARTICULARS	Year (Aggregate No. of Shares)				
	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Equity Shares:</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL
<b>Preference Shares:</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL



**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
3		<b>RESERVE &amp; SURPLUS:</b>		
	a	<b>GENERAL RESERVE</b>		
		AT THE BEGINNING OF THE ACCOUNTING PERIOD	-	-
		ADDITIONS DURING THE YEAR	-	-
		AT THE END OF THE ACCOUNTING PERIOD	-	-
	b	<b>SECURITIES PREMIUM ACCOUNT</b>		
		AT THE BEGINNING OF THE ACCOUNTING PERIOD	-	-
		ADDITIONS DURING THE YEAR	-	-
		AT THE END OF THE ACCOUNTING PERIOD	-	-
	c	<b>SURPLUS</b>		
		AT THE BEGINNING OF THE ACCOUNTING PERIOD	19,726,490.92	19,341,478.82
		ADDITIONS DURING THE YEAR (BALANCE IN STATEMENT OF PROFIT & LOSS A/C)	(7,700,114.54)	1,131,767.52
		Less : ALLOCATIONS AND APPROPRIATIONS		
		TAX ON DIVIDEND	-	-
		BONUS SHARES ISSUED	-	-
		Effect of Depreciation on Transition as per the Provision of Schedule II of the Companies Act,2013 (Refer Note No.40)	-	(746,755.42)
		AT THE END OF THE ACCOUNTING PERIOD	12,026,376.38	19,726,490.92
		<b>GRAND TOTAL</b>	<b>12,026,376.38</b>	<b>19,726,490.92</b>
4		<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	-	-
5		<b>LONG TERM BORROWINGS</b>		
	a	<b>SECURED</b>		
		(a.) BONDS / DEBENTURES	-	-
		(b.) TERM / LOANS	26,113,590.00	37,950,418.00
		(c.) LOANS AND ADVANCE / OTHER DUES FROM RELATED PARTIES	-	-
		(d.) OTHER LOANS AND ADVANCE	-	-
			26,113,590.00	37,950,418.00
		Term Loan from Tata Capital Financial Services Limited is secured against the properties of the companies owned by the one of the director of holding company.		
	b	<b>UNSECURED</b>		
		(a.) BONDS / DEBENTURES	-	-
		(b.) TERM / LOANS	-	-
		(c.) LOANS AND ADVANCE FROM RELATED PARTIES	-	-
		(d.) OTHER LOANS AND ADVANCE	-	-
			-	-
		<b>GRAND TOTAL</b>	<b>26,113,590.00</b>	<b>37,950,418.00</b>
6		<b>DEFERRED TAX LIABILITIES (NET)</b>		
		DEFERRED TAX LIABILITIES	293,950.00	454,583.00
			293,950.00	454,583.00
7		<b>LONG-TERM PROVISIONS:</b>		
		(a) PROVISIONS FOR EMPLOYEE BENEFITS	-	-
		(b) OTHERS	-	-
			-	-

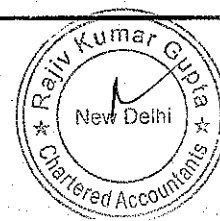




**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
		<b>CURRENT LIABILITIES</b>		
8		<b>SHORT-TERM BORROWINGS:</b>		
	a	<b>SECURED</b>		
		(a.) LOANS REPAYABLE ON DEMAND		
		<i>From Banks</i>		
		* HDFC BANK LTD.	-	10,000,000.00
		** CORPORATION BANK	40,484,653.00	38,300,866.00
		** DCB BANK LTD. (04641600000198)	42,078,479.43	50,111,546.00
		(b.) LOANS AND ADVANCE FROM RELATED PARTIES	-	-
		(c.) OTHER LOANS AND ADVANCE	-	-
			<b>82,563,132.43</b>	<b>98,412,412.00</b>
	b	<b>UNSECURED</b>		
		(a.) LOANS REPAYABLE ON DEMAND		
		(b.) LOANS AND ADVANCE FROM RELATED PARTIES	-	709,843.93
		(c.) OTHER LOANS AND ADVANCE	-	-
			-	<b>709,843.93</b>
		<b>GRAND TOTAL</b>	<b>82,563,132.43</b>	<b>99,122,255.93</b>
		* Short Term Borrowings of Rs.1 Crore secured against Fixed Deposit of Rs.0.50 Crore in previous year		
		** Corporation Bank OD (Secured against mortgage / charge on two Properties owned by group companies and further secured by Guarantee of the holding company and personal Guarantee of a Director)		
		*** DCB Bank OD (Secured against mortgage / charge on Properties owned by one of the Director of the Holding Company and further secured by Guarantee of the holding company and personal Guarantee of a Director)		
9		<b>TRADE PAYABLES</b>		
		SUNDRY CREDITORS *	-	2,842,930.56
			-	2,842,930.56
		* Balances of Parties Account shown net (i.e. net of Debit & Credit) as in the opinion of management it is difficult to differential Parties as nature of account differs from day to day and therefore it has not bifurcated debtors for more than six months and whole amount has been shown in less than six month.		
10		<b>OTHER CURRENT LIABILITIES</b>		
	a	INTEREST ACCRUED AND DUE ON BORROWINGS	-	-
	b	DEPOSIT FROM PARTIES-INTEREST FREE	8,658,908.89	10,213,587.08
	c	CURRENT YEAR'S TAXES PAYABLE	2,448,748.41	263,244.00
	d	TEMPORARY OVERDRAWN BANK BALANCE AS PER BOOKS	(34,782.10)	17,990,632.58
	e	OTHER LIABILITIES PAYABLE *	21,144,525.39	8,787,348.39
			<b>32,217,400.59</b>	<b>37,254,812.05</b>
		* Other Liabilities includes Expenses Payable etc.		
11		<b>SHORT-TERM PROVISIONS</b>		
		PROVISIONS FOR EMPLOYEE BENEFITS	-	-
		<b>OTHERS</b>		
		INCOME TAX (NET OF TDS)	-	-
			-	-

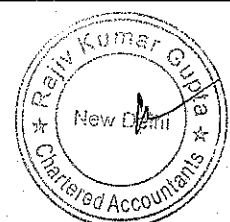




**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

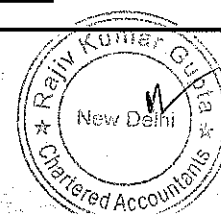
NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING				FIGURES AS AT THE END OF PREVIOUS REPORTING					
12		<b>FIXED ASSETS</b>										
		<b>Description</b>	<b>GROSS BLOCK</b>				<b>DEPRECIATION</b>			<b>NET BLOCK</b>		
			As at 01/04/2015	Addition	Deduction/ Adjustment	As At 31/03/2016	As at 01/04/2015	For the Year	Deduction/ Adjustment	Total	As At 31/03/2016	As At 31/03/2015
		<b>TANGIBLE ASSETS:</b>										
		FURNITURE & FIXTURE	490,880.00	-	-	490,880.00	357,950.59	54,668.69	-	412,619.26	78,260.72	132,929.41
		VEHICLES (CARS)	1,422,335.00	-	-	1,422,335.00	1,034,779.52	257,832.63	-	1,292,612.15	129,722.85	387,555.48
		OFFICE EQUIPMENTS	4,820,063.50	-	-	4,820,063.50	1,934,422.93	379,816.54	-	2,314,239.47	2,505,824.03	2,885,640.57
		COMPUTERS	213,940.00	-	-	213,940.00	213,940.00	-	-	213,940.00	-	-
		<b>TOTAL (A)</b>	<b>6,947,218.50</b>	<b>-</b>	<b>-</b>	<b>6,947,218.50</b>	<b>3,541,093.04</b>	<b>692,317.86</b>	<b>-</b>	<b>4,233,410.90</b>	<b>2,713,807.60</b>	<b>3,406,125.46</b>
		<b>INTANGIBLE ASSETS:</b>										
		SOFTWARES	3,518,083.26	-	-	3,518,083.26	3,282,092.27	224,383.44	-	3,506,475.71	11,607.55	235,990.99
		<b>TOTAL (B)</b>	<b>3,518,083.26</b>	<b>-</b>	<b>-</b>	<b>3,518,083.26</b>	<b>3,282,092.27</b>	<b>224,383.44</b>	<b>-</b>	<b>3,506,475.71</b>	<b>11,607.55</b>	<b>235,990.99</b>
		<b>TOTAL (A+B)</b>	<b>10,465,301.76</b>	<b>-</b>	<b>-</b>	<b>10,465,301.76</b>	<b>6,823,185.31</b>	<b>916,701.30</b>	<b>-</b>	<b>7,739,886.61</b>	<b>2,725,415.15</b>	<b>3,642,116.45</b>
		<b>PREVIOUS YEAR</b>	<b>25,764,957.06</b>	<b>-</b>	<b>(15,299,655.30)</b>	<b>10,465,301.76</b>	<b>19,876,585.41</b>	<b>1,165,566.78</b>	<b>(14,218,966.88)</b>	<b>6,823,185.31</b>	<b>3,642,116.45</b>	<b>5,888,371.65</b>
13		<b>NON CURRENT INVESTMENT: (Value at Cost)</b> (Long Term other Investments)										
		<b>INVESTMENTS IN EQUITY SHARES (QUOTED)</b>										
		<b>INVESTMENTS IN SUBSIDIARY EQUITY SHARES (UNQUOTED)</b>										
				<b>No. of Shares</b>								
		RR Investor Retails Services Pvt.Ltd.		5,100,000.00				100,000.00				100,000.00
		RR Commodity Brokers Pvt.Ltd.		98,100.00				12,753,000.00				12,753,000.00
		RR Investor Distributors Co.Pvt.Ltd.		100,000.00				100,000.00				100,000.00
		RR Information & Research Pvt.Ltd.		3,250.00				325,000.00				325,000.00
		RR IT Pvt.Ltd.		100,000.00				100,000.00				100,000.00
								<b>13,378,000.00</b>				<b>13,378,000.00</b>
		Aggregate Amount of Quoted Investments										
		Market Value of Quoted Investments										
		Aggregate Amount of Unquoted Investments				13,378,000				13,378,000		
14		<b>DEFERRED TAX ASSETS (NET):</b>										
15		<b>LONG TERM LOANS AND ADVANCES:</b>										
		(a) SECURITY DEPOSIT TO RELATED PARTIES						17,000,000.00				17,000,000.00
		(b) SECURITY DEPOSIT TO OTHERS						26,864,586.88				37,849,586.88
								<b>43,864,586.88</b>				<b>54,849,586.88</b>



**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING		FIGURES AS AT THE END OF PREVIOUS REPORTING
16		<b>OTHER NON-CURRENT ASSETS</b>			
		<b>MISC. EXPENDITURE</b> (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
		<b>PRELIMINARY &amp; PRE OPERATIVE EXPENSES</b>			
		OPENING BALANCE/ADDITION	50,000.00		170,240.00
		ADD: ADDITION DURING THE YEAR	0.00	50,000.00	110,120.00
		LESS: WRITTEN OFF DURING THE YEAR		25,000.00	60,120.00
				<u>25,000.00</u>	<u>50,000.00</u>
				<u>25,000.00</u>	<u>50,000.00</u>
		<b>CURRENT ASSETS</b>			
17		<b>CURRENT INVESTMENTS</b>			
18		<b>TRADE RECEIVABLES:</b> (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)			
		* (1) DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY ARE DUE			
		(2) OTHER DEBTS		45,936,198.68	
				<u>45,936,198.68</u>	
		* Balances of Parties Account shown net (i.e. net of Debit & Credit) as in the opinion of management it is difficult to differential Parties as nature of account differs from day to day and therefore it has not bifurcated debtors for more than six months and whole amount has been shown in less than six month.			
19		<b>CASH &amp; CASH EQUIVALENTS :</b>			
		(a) BALANCE WITH BANKS			
		MARGIN MONEY			
		SECURITY AGAINST BORROWINGS GUARANTEES			
		BANK DEPOSITED WITH LESS THAN 12 MONTHS MATURITY	2,194,056.00		44,187,000.00
		IN CURRENT ACCOUNTS / CHEQUES IN HAND	125,278,817.95		141,853,985.47
		(b) CASH IN HAND		2,016,820.00	213,240.00
				<u>129,489,693.95</u>	<u>186,254,225.47</u>
20		<b>SHORT TERM LOANS &amp; ADVANCES:</b> (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)			
		ADVANCES RECOVERABLE IN CASH OR- IN KIND FOR THE VALUE TO BE RECEIVED			
		(1) ADVANCES / OTHER RECEIVABLE FROM RELATED PARTIES	8,703,284.00		3,355,101.00
		(2) ADVANCES TO PARTIES (OTHERS)	2,224,486.47		23,510,832.60
		(3) RECEIVABLE FROM REVENUE AUTHORITIES	6,307,867.77		10,754,448.86
		(4) CURRENT YEARS TAXES RECOVERABLE (NET OF LIABILITY)	559,916.50		484,946.20
				<u>17,795,554.74</u>	<u>38,105,328.66</u>
		* deposit of Rs.1,98,852/- due to arbitration dispute in BSE and NSE.			
21		<b>OTHER CURRENT ASSETS:</b>			
		PREPAID EXPENSES			417,177.00
		INTEREST RECEIVABLE			655,056.00
					<u>1,072,233.00</u>



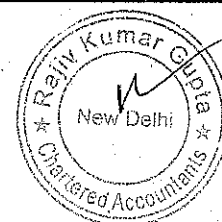




**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
22		<b>REVENUE FROM OPERATIONS</b>		
		BROKERAGE	44,943,641.97	82,190,654.00
		BROKERAGE (MUTUAL FUND)	9,060,000.00	15,859,150.00
		SALE OF SHARES / DEBENTURES / SECURITIES	-	-
		OTHER OPERATING REVENUES	1,090,850.04	1,324,017.00
		<b>NET REVENUE FROM OPERATIONS</b>	<u>55,094,492.01</u>	<u>99,373,821.00</u>
23		<b>OTHER INCOME:</b>		
		INTEREST INCOME	3,779,706.87	8,881,607.54
		DIVIDEND INCOME	-	-
		NET GAIN/LOSS ON SALE OF INVESTMENT	-	-
		OTHER OPERATING INCOME	462,970.53	688,141.00
			<u>4,242,677.40</u>	<u>9,569,748.54</u>
24		<b>EMPLOYEE BENEFITS EXPENSE</b>		
		SALARY AND WAGES	5,627,578.00	7,129,591.00
		DIRECTOR'S REMUNERATIONS	-	1,096,100.00
		CONTRIBUTION TO PROVIDENT FUND & ESI	448,295.00	3,167,475.00
		ARREAR PROVIDENT FUND & ESI	-	-
		OTHER EXPENSES	-	-
		WORKERS AND STAFF WELFARE	173,568.00	192,341.39
		BONUS	-	-
			<u>6,249,441.00</u>	<u>11,585,507.39</u>
25		<b>FINANCIAL COSTS:</b>		
		INTEREST EXPENSES	153.00	324.36
		INTEREST TO BANK	16,359,863.95	15,326,264.82
		INTEREST ON LOAN	1,934,359.00	3,157,253.00
		INTEREST TO DEPOSITORS	-	-
		INTEREST TO BANK ON VEHICLE LOAN	-	-
		INTEREST ON TDS & OTHER TAXES	3,784.00	133,341.00
		OTHER BORROWING COSTS	-	-
		APPLICABLE NET GAIN/LOSS ON FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS	-	-
			<u>18,298,159.95</u>	<u>18,617,183.18</u>
26		<b>DEPRECIATION AND AMORTIZATION EXPENSE:</b>		
		DEPRECIATION	916,701.30	1,165,566.78
		PRELIMINARY & PRE-OPERATIVE EXP. WRITTEN OFF	25,000.00	60,120.00
			<u>941,701.30</u>	<u>1,225,686.78</u>



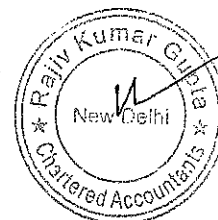


## RR EQUITY BROKERS PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

NOTE No.	S.No.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
27		<b>OTHER EXPENSES:</b>		
		<b>ADMINISTRATIVE EXPENSE</b>		
		ADVERTISEMENT EXPENSES	11,628.00	94,681.00
		BANK CHARGES	1,380,557.66	1,291,114.29
		CONFERENCE EXPENSES	-	-
		CONVEYANCE	679,935.00	1,768,551.00
		DEMAT CHARGES	524,368.15	698,935.95
		BUSINESS PROMOTION EXPENSES	-	-
		DR./CR. W/O	4,690.16	(7,332.11)
		ELECTRICITY EXPENSES	1,921,038.00	2,012,318.00
		ENTERTAINMENT EXPENSES	-	-
		FASTIVAL CELEBRATION EXPENSES	-	124,296.00
		FEES & TAXES	479,859.47	243,234.42
		GENERAL EXPENSES	765,769.99	139,037.50
		INSURANCE	1,062.00	28,541.00
		LEGAL & PROFESSIONAL EXPENSES	449,473.00	999,433.00
		NEWS PAPER & PERIODICALS	-	3,045.00
		PAYMENT TO THE AUDITORS	5,500.00	2,500.00
		PENALTIES	510,371.00	120,000.00
		POSTAGE & COURIER EXPENSES	208,061.50	253,131.10
		PRINTING & STATIONERY	152,612.00	97,674.00
		PROFESSIONAL CHARGES	-	-
		RENT PAID	787,500.00	2,081,461.00
		REPAIR & MAINTENANCE	387,359.00	3,012,372.65
		SERVICE TAX DEMAND FOR THE PERIOD FROM 2010 - 2014	-	-
		SUB-BROKERAGE / COMMISSION & INCENTIVES	28,592,781.68	57,967,272.29
		SUBSCRIPTION/MEMBERSHIP FEES	137,376.00	131,576.00
		TRANSACTION CHARGES PAID	581,514.39	1,544,947.38
		TELEPHONE EXPENSES	1,036,242.67	1,514,051.40
		TRAVELLING EXPENSES	105,419.00	24,407.00
		VEHICLE RUNNING AND MAINTENANCE EXPENSES	92,223.00	166,502.00
		VSAT & LEASELINE CHARGES	939,380.74	2,143,797.80
		<b>GRAND TOTAL</b>	<b>39,754,722.41</b>	<b>76,455,547.67</b>
28		<b>EARNINGS PER SHARES</b>		
	a	Net Profit / (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(7,700,114.54)	1,131,767.52
	b	Weighted Average number of Equity Shares used as denominator for calculating EPS	100,000,000.00	100,000,000.00
	c	Basic and Diluted Earnings per Share (₹)	(0.077)	0.011
	d	Face Value per Equity Share (₹)	1.00	1.00



**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
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**29** RELATED PARTY DISCLOSURE  
 As per Accounting Standard 18, the disclosures of transactions with the related parties given below:

a List of Related Parties (as identified and certified by the Management)  
 Parties where control exists

S.NO	Name of the Related Parties	Relationship
1	RR Financial Consultants Ltd.	Holding Co.
2	RR Investors Capital Services Pvt.Ltd.	Associate Co.
3	RR Commodity Brokers Pvt.Ltd.	Associate Co.
4	RR Information & Investment Pvt.Ltd.	Associate Co.
5	RR IT Solutions Pvt. Ltd.	Associate Co.
6	RR Investors Distribution Co. Pvt. Ltd.	Associate Co.
7	RR Investors Retail Services Pvt. Ltd.	Associate Co.
8	RR Insurance Brokers Pvt.Ltd.	Associate Co.

S.No	Key Management Personal	Designation
1	Mr. Pawan Gupta	Director
2	Mr. Tapashankar Das Gupta	Director
3	Mr. Rajesh Sharma	Director
4	Ms. Farha Naaz (CS)	Director

b Transaction during the year with related parties

S.No	Nature of Transaction	(₹ in Lakhs)			
		31st March, 2016		31st March, 2015	
		Holding Co.	Associate Co.s	Holding Co.	Associate Co.s
1	Amount Due from us as at	Nil	Nil	Nil	7.1
2	Amount Due to us as at	Nil	81.51	23.05	10.50
3	Sales of Services/Allocation of Exp.	11.25	209.22	25.30	295.65
4	Purchase of Services/Reimbursement of Exp.	7.87	Nil	15.22	Nil

c Remuneration of Director  
 Director Remuneration paid ₹ NIL/-

**30** Contingent Liabilities and Commitments  
 (to be extent not provided for)

(i) Contingent liabilities shall be classified as:

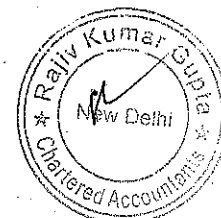
(a) Claims against the company not acknowledged as debts;	23,35,000/-
(b) Guarantees;	
On account of guarantee given by the company's bankers to stock exchanges	21,50,000/- (Net of Security Amount)
(c) Other money for which the company is contingently liable	Nil

(ii) Commitments shall be classified as:

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	Nil
(b) Uncalled liability on shares and other investments partly paid;	Nil
(c) Other commitments (specify nature)	Nil

**31** Segment Reporting

As per the management the company's main & only business is Stock Broking business. Hence the segment information required by AS 17 of the Institute of Chartered Accountants of India on segment reporting is not required.



**RR EQUITY BROKERS PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

NOTE No.	S.No	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
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32. **Micro, Small and Medium Enterprises Development Act, 2006**  
 On the basis of information and record available with the Management, the following disclosure pursuant to the above Act are made for the amounts due to the Micro and Small Enterprises, who have registered with the competent authorities:

(Amount in ₹)

Particulars	2015-16	2014-15
The principal amount and the interest due thereon remaining unpaid to any Micro / Small Supplier	Nil	Nil
The interest by the buyer as above, alongwith the amount of payment made beyond the appointed date during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small / Micro Enterprises	Nil	Nil

33. **Foreign Currency Transaction**  
 Expenditure incurred in Foreign Currency - Nil
34. Parties accounts whether is debit or credit are subject to reconciliation and confirmation.
35. Previous year figures are regrouped and rearrange wherever necessary so as to make them comparable with those of the current year.
36. In the opinion of the Board of Directors, all assets other than fixed assets have a value on realization in the ordinary course of Business at least equal to the amount at which they are stated unless specified otherwise.
37. Bank balances whether in debit or credit are subject to confirmation and reconciliation.
38. No provision has been made for Sundry debtors more than 6 month which also includes debtors outstanding from the earlier years ,as steps is being taken by the management to reconcile and recover the amount.
39. Liabilities has been provided on estimates basis as per accounting policy mentioned in note no 1(a)
40. Extra Ordinary items enclues Rs.899371/- Service tax paid for the previous years
41. Other operating income includes Profit from sale of Bond for the fy-2015-16 of Rs.1,34,089.75

*R.K. Gupta*  
**RAJIV KUMAR GUPTA**  
 (Chartered Accountants)  
 (Membership No.) 83497



FOR RR EQUITY BROKERS PVT. LTD.

*R. Sharma*  
**RAJESH SHARMA**  
 01801382  
 Director

*P.V. Gupta*  
**PAWAN GUPTA**  
 07245876  
 Director

PLACE: NEW DELHI  
 DATED: 16/05/2016