

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED

DIRECTORS' REPORT

To the Members of Quantum Asset Management Company Private Limited

Your Directors have pleasure in presenting the Fifth Annual Report along with the Audited Accounts of the Company for the year ended June 30, 2010.

PRINCIPAL ACTIVITIES

The Company is the Investment Manager for various schemes of Quantum Mutual Fund (the Fund) which received SEBI approval on December 2, 2005.

As on the date of this report, the Company is the Investment Manager, for the following six Schemes of the Fund:

Sr. No	Scheme Name	Launch Date
1.	Quantum Long Term Equity Fund	February 8, 2006
2.	Quantum Liquid Fund	April 3, 2006
3.	Quantum Gold Fund	January 24, 2008
4.	Quantum Index Fund	June 9, 2008
5.	Quantum Tax Saving Fund	December 10, 2008
6.	Quantum Equity Fund of Funds	June 26, 2009

RENDERING OF RESEARCH SERVICES

In addition to the Investment Management Services, the Company provided research services during the year ended June 30, 2010 on commercial basis to Quantum Advisors Private Limited and QIEF Management LLC, Mauritius in terms of the approval received from Securities and Exchange Board of India.

FINANCIAL RESULTS:

Given below are the Highlights of the Financial Results for the year ended June 30, 2010

Financial Results	Current Year (July 1, 2009 to June 30, 2010) (Rupees)	Previous year (July 1, 2008 to June 30, 2009) (Rupees)
Profit/(Loss) before Tax	40,973,260	28,62,160
Provision for Tax:		
Current	64,75,000	995,000
Deferred	(171,610)	107,432
Provision for Fringe Benefit Tax	-----	71,500
Profit/(Loss) after Tax	34,669,870	1,688,228
Add Provision for taxes of earlier years written back	25,742	-----
Balance brought forward from previous year	(39,197,069)	(40,885,297)
Balance carried to Balance Sheet	(4,501,457)	(39,197,069)

Employee Stock Option Plan

Auditors, in their report, have drawn attention to non disclosure of impact on the net results of the Company had the "fair value method" been used as required by "Guidance Note" on accounting for employees share-based payments" issued by the Institute of Chartered Accountants of India.

The accounting of Employee Stock Option Plan (ESOP) has been done as per intrinsic value method which is permitted as per the "Guidance Note on accounting for employees share-based payments" issued by the Institute of Chartered Accountants of India. This method is based on the valuation of equity shares by an independent appraiser considering discounted repurchase price.

The fair value method of accounting presumes applying models like Black Scholes Model / Binomial model for valuation of options. The Company has not gone in for valuation of options based on these models as the global financial crises since 2008 was partly a result of the failure of these models for valuing securities and has raised serious questions on the use of such models for the purpose of valuation. Until a more reliable methodology is adopted for the accounting standards, The Directors believe that the methodology chosen by the Company for ESOP accounting gives a fair view of the options granted.

DIVIDEND

The Board of Directors has not recommended dividend during the year.

REVIEW OF OPERATIONS

The total assets under management as on June 30, 2010 were Rs.104.31Cr. as against Rs. 67.24 Cr. as on June 30, 2009 a growth of 55.13%

The total number of investors has increased from 4881 as on June 30, 2009 to 8568 as on June 30, 2010, a growth of 75.54 %.

PERFORMANCE OF SCHEME OF THE FUND

(A) Quantum Long Term Equity Fund (QLTEF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QLTEF stood at Rs. 56.99 Cr. with a total of 2609 existing unitholders.

The performance of QLTEF as on June 30, 2010 is given below:

Period	QLTEF Returns (%)	Benchmark Returns (%)
Last 1 Year *	49.71	23.66
Last 3 years**	15.93	7.97
Since Inception **	17.88	14.13

Past performance may or may not be sustained in future.

*Absolute Returns

**Compounded Annualised Returns

Returns are for Growth Option

Benchmark Index: BSE 30 Total Return Index

Date of Inception/Allotment: March 13, 2006

(B) Quantum Liquid Fund (QLF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QLF stood at Rs 22.05 Cr. with a total of 336 existing unitholders.

The performance of QLF as on June 30, 2010 is given below:

Period	QLF Returns (%)	Benchmark Returns (%)
1 month*	0.44	0.40
3 months*	1.21	0.99
6 months*	2.19	1.92
Last 1 Year *	4.09	3.29
Last 3 years**	6.66	6.13
Since Inception**	6.87	6.37

Past performance may or may not be sustained in future.

**Compounded Annualised Returns

*Absolute Returns

Returns are for Growth Option

Benchmark Index: CRISIL Liquid Fund Index

Date of Inception/Allotment: April 7, 2006

(C) Quantum Gold Fund (QGF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QGF stood at Rs 20.61 Cr with a total of 4541 existing unitholders.

The performance of QGF as on June 30, 2010 is given below:

Period	QGF Returns (%)	Domestic Prices of Gold (%)
Last 1 year*	28.15	29.49
Since Inception**	20.49	20.16

Past performance may or may not be sustained in future.

*Absolute Returns

**Compounded Annualised Returns

Returns are for Growth Option

Benchmark Index: Domestic Price of Gold

Date of Inception /Allotment: February 22, 2008

(D) Quantum Index Fund (QIF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QIF stood at Rs 1.35 Cr with a total of 364 existing unitholders.

The performance of QIF as on June 30, 2010 is given below:

Period	QIF Returns (%)	Benchmark Returns (%)
Last 1 year*	24.24	23.80
Since Inception **	15.66	13.15

Past performance may or may not be sustained in future.

*Absolute Returns

**Compounded Annualised Returns

Returns are for Growth Option

Benchmark Index: S&P CNX Nifty Index

Date of Inception /Allotment: July 10, 2008

(E) Quantum Tax Saving Fund (QTSF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QTSF stood at 1.89 Cr. with a total of 506 existing unitholders.

The performance of QTSF as on June 30, 2010 is given below:

Period	QTSF Returns (%)	Benchmark Returns (%)
Last 1 year*	47.94	23.66
Since Inception**	59.45	50.22

Past performance may or may not be sustained in future.

*Absolute Returns
 **Compounded Annualised Returns
 Returns are for Growth Option
 Benchmark Index: BSE 30 Total Return Index
 Date of Inception /Allotment: December 23, 2008

(F) QUANTUM EQUITY FUND OF FUND (QEFOF)

The resources of the scheme have been invested in line with the investment objective. As on June 30, 2010, the assets under management for QEFOF stood at 1.42 Cr . with a total of 212 existing unitholders.

The performance of QEFOF as on June 30, 2010 is given below:

Period	QEFOF Returns (%)	Benchmark Returns (%)
Last 6 months*	6.06	3.11
Since Inception*	32.79	21.61

*Absolute Returns
 Returns are for Growth Option
 Benchmark Index: BSE 200 Index
 Date of Inception /Allotment: July 20, 2009

DIRECT MARKETING

Quantum Mutual Fund is dedicated to servicing its investors and continues to adopt a unique method of directly marketing its products and schemes through the internet and other cost-effective means, and does not use the traditional distributor led marketing approach. By dealing directly with the investor and adopting a low-cost marketing approach, Quantum Mutual Fund saves money for its investors by eliminating commissions, and minimizing other expenses, that are normally borne by investors. The benefits of these low costs have become visible and well publicized in the press and media over the past few years. As a result of our unique approach there is no “wastage” of investor’s money and the maximum proportion of the amount subscribed by our investors gets invested in the markets.

Our focus on direct marketing remains on the Quantum Long Term Equity Fund. A micro-site has been dedicated to the fund (www.QuantumEquityDirect.com) with a link to the main Quantum AMC website (www.QuantumAMC.com).

Quantum Equity Direct is the newsletter that goes out to our investor base, which contains a section on investor education followed by ‘Subbu’s Solutions’, a section where Mr. I. V. Subramaniam, Director of the AMC, answers investor queries on mutual fund investing.

Going forward, we would focus on the internet, investor education and content syndication with relevant websites in order to increase our investor base.

As Trustees we are proud of the fact that Quantum Mutual Fund is the first - and still the only - mutual fund house in the industry that exclusively follows this unique direct marketing approach for which we have received encouraging media coverage and appreciation for our efforts to collect assets without appointing intermediaries.

SHARE CAPITAL

The Authorised Share Capital of the Company was increased from Rs. 15 crores to Rs.22 crores at the First Annual General Meeting of the Company held on December 6, 2006. There is no change in the Authorised Capital during the year under review.

The Present Paid-up Capital of the Company is as follows:

11,000,000 Equity Shares of Rs. 10/- each aggregating to Rs. 110,000,000/-
5, 00,000 – 1% Redeemable Preference Shares of Rs. 100/- each aggregating to Rs.50, 000,000/-

DIRECTORS

The Company is in compliance with Regulation 21(d) of SEBI (Mutual Funds) Regulations, 1996 which states that the Independent Directors of the AMC should be at least 50% of the total Board strength.

During the period under review, 6 (Six) meetings of the Board of Directors were held. Details of attendance at the said meetings by the Directors are given below:

Directors	Status (whether Associate or Independent)	Number of Board Meetings Attended
Mr. Ajit Dayal	Associate	6
Mr. I. V. Subramaniam	Associate	5
Mr. C. Srinivasan	Independent	6
Mr. Mahesh Vyas	Independent	5

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As your Company is a service-providing establishment, statement containing the information as per the provisions of Part A & B of Section 217(1)(e) of the Companies Act, 1956, read along with the Company's (Disclosure Of Particulars in the Report of Directors) Rules, 1988 is not applicable to the Company.

There was foreign exchange outgo of Rs. 146,794 during the period under review. The details of Foreign Exchange Earnings for the period under review are noted below:

Foreign Exchange Earned:

Current Year (Rs.)	Previous Year (Rs.)
64,080,751	41,151,139

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the statement giving the required information of the employees covered by this section of the Act is given in **Annexure I** attached herewith.

AUDITORS

The present Statutory Auditors, M/s.Deloitte Haskins & Sells, Chartered Accountants, Baroda, vacate office at the conclusion of the ensuing Annual General Meeting of the Company, and being eligible, have offered themselves for reappointment for the financial year July 1, 2010 to June 30, 2011. Members are requested to re-appoint M/s.Deloitte Haskins & Sells as Auditors and to fix their remuneration.

DIRECTORS RESPONSIBILITY STATEMENT

Directors Responsibility Statement in terms of Section 217 (2AA) of the Companies Act, 1956:
Your Directors confirm that to the best of their knowledge and ability:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors acknowledge the valuable assistance, support and guidance provided by Securities and Exchange Board of India and Association of Mutual Funds in India. Your Directors also appreciate the services and support provided by all concerned including Registrar & Transfer Agents, Custodians and Banks.

The Directors express their gratitude to Quantum Advisors Private Limited & Quantum Trustee Company Private Limited for their support.

The Directors further express their appreciation to all its employees for their dedication and commitment.

On behalf of the Board of Directors
for Quantum Asset Management Company Private Limited

_____ Sd/- _____
Ajit Dayal
Chairman

Place: Mumbai
Date: September 27, 2010

**AUDITOR'S REPORT
TO THE MEMBERS OF
QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED**

1. We have audited the attached Balance Sheet of **QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED** (“the Company”) as at 30th June, 2010, and the Profit and Loss Account of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor’s Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;

- d) in our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e) without qualifying our opinion, we draw attention to note no 12 of schedule 11B regarding non disclosure of the impact of fair value method of accounting on the net results and Earning per share as required by the Guidance note on accounting for employee share-based payments issued by The Institute of Chartered Accountants of India. This was also drawn attention to in the previous year's auditor's report;
 - f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 2010; and
 - ii. in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.
5. On the basis of the written representations received from the directors as on 30th June, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 30th June 2010 from being appointed as a director in terms of Section 274(1) (g) of the Companies Act, 1956.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.117364W)

_____ Sd/- _____
R. SALIVATI
Partner
(Membership No. 34004)

MUMBAI, 27th September 2010

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (ii), (vi), (viii), (x), (xi), (xii), (xiii), (xv), (xvi), (xviii), (xix) and (xx) of CARO are not applicable.
- (ii) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. There are no transactions of purchase of inventory or sale of goods. During the course of

our audit, we have not observed any major weakness in internal control system.

- (v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which we are unable to comment.
- (vi) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Wealth Tax, Excise Duty, Sales Tax, Service Tax, Custom Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Wealth Tax, Excise Duty, Sales Tax, Service Tax, Custom Duty, Cess and other material statutory dues in arrears, as at 30th June, 2010 for a period of more than six months from the date they became payable.

- (c) There are no cases of non-deposit with the appropriate authorities of disputed dues in respect of Income tax, Excise duty, Custom duty, Sales tax, Wealth tax, Service tax and Cess.
- (viii) The Company has not dealt (other than in units of mutual funds), or traded in shares, securities, debentures or other investments during the period. In our opinion and to the best of our information and according to the explanations given to us, the Company has dealt in units of Mutual funds for which the Company has maintained proper record of transactions and contracts. All the investments have been held by the Company in its own name.
- (ix) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short term basis have not been used during the year for long term investment.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.117364W)

_____ **Sd/-** _____
R. SALIVATI
Partner
(Membership No. 34004)

MUMBAI, 27th September, 2010

**QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
BALANCE SHEET AS AT 30TH JUNE, 2010**

	Schedule No.	Rupees	Rupees June 30, 2010	Rupees June 30, 2009
(I) SOURCES OF FUNDS:				
1. SHAREHOLDERS' FUNDS:				
(a) Share Capital	1	160,000,000	160,000,000	160,000,000
TOTAL			160,000,000	160,000,000
(II) APPLICATION OF FUNDS:				
1. FIXED ASSETS				
(a) Gross Block	2	17,401,505		9,689,502
(b) Less Depreciation		10,183,716		8,192,948
(c) Net Block			7,217,789	1,496,554
2. INVESTMENTS	3		99,274,081	94,936,112
3. DEFERRED TAX ASSET (NET)			1,345,827	1,174,217
4. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Sundry Debtors	4	16,490,926		10,251,605
(b) Cash and Bank Balances	5	19,552,232		11,956,944
(c) Loans and Advances	6	15,010,548		6,146,890
			51,053,706	28,355,439
LESS: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	7	2,978,587		4,538,284
(b) Provisions	8	414,273		853,887
			3,392,860	5,392,171
NET CURRENT ASSETS			47,660,846	22,963,268
5. (a) Misc expenditure to the extent not written off :				
Preliminary Expenditure		232,780		465,560
Less: written off during the year		232,780		232,780
			-	232,780
(b) Profit & Loss Account			4,501,457	39,197,069
TOTAL			160,000,000	160,000,000
Significant Accounting Policies and Notes on Accounts	11			

In terms of our report attached

for DELOITTE HASKINS & SELLS
Chartered Accountants

for QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED

Sd/-
R. Salivati
PARTNER

Sd/-
Ajit Dayal
DIRECTOR

Sd/-
I.V. Subramaniam
DIRECTOR

Sd/-
Jimmy A. Patel
CHIEF EXECUTIVE OFFICER & MANAGER

Mumbai
Dated:September 27, 2010

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 2010

	Schedule nos.	Rupees	Rupees June 30, 2010	Rupees June 30, 2009
INCOME:				
Asset Management Fees			6,610,916	4,007,397
Research Fees			92,752,551	41,151,139
Other Income	9		4,823,505	5,362,470
			104,186,972	50,521,006
EXPENDITURE				
Membership And Subscription			2,444,666	2,467,556
Administration and Other Expenses	10		58,600,094	44,276,000
Depreciation			2,020,210	908,853
Interest - Others			148,742	6,437
			63,213,712	47,658,846
Profit before Tax			40,973,260	2,862,160
Provision for Tax				
- Current Tax		6,475,000		995,000
- Deferred Tax		(171,610)		107,432
- Fringe Benefit Tax		-		71,500
			6,303,390	1,173,932
			34,669,870	1,688,228
Add: Provision for taxes of earlier years written back			25,742	-
Profit after Tax			34,695,612	1,688,228
Balance brought forward from previous year			(39,197,069)	(40,885,297)
Amount available for appropriation.			(4,501,457)	(39,197,069)
Appropriations:			-	-
Balance carried to Balance Sheet			(4,501,457)	(39,197,069)
			(4,501,457)	(39,197,069)
Basic & Diluted Earning per share of Rs. 10/- each (Refer note 8 of Schedule 11B)			3.11	0.11
Significant Accounting Policies and Notes on Accounts	11			

In terms of our report attached

for DELOITTE HASKINS & SELLS
Chartered Accountants

for QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED

Sd/-
R. Salivati
PARTNER

Sd/-
Ajit Dayal
DIRECTOR

Sd/-
I.V. Subramaniam
DIRECTOR

Sd/-
Jimmy A. Patel
CHIEF EXECUTIVE OFFICER & MANAGER

Mumbai
Dated: September 27, 2010

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE 2010

SCHEDULE 1	Rupees June 30, 2010
SHARE CAPITAL	
Authorised:	
11,000,000 (Previous Year 11,000,000) Equity share of Rs. 10 each	110,000,000
1,100,000 (Previous Year 1,100,000) Preference Shares of Rs.100 each	110,000,000
	220,000,000
Issued, Subscribed and Paid Up:	
11,000,000 (Previous Year 11,000,000) Equity shares of Rs.10 each fully paid up	110,000,000
500,000 (Previous Year 500,000) 1% Redeemable Preference Shares of Rs 100 each fully paid up	50,000,000
TOTAL SHARE CAPITAL	160,000,000

Note :-

- 1) All the above Equity shares (Previous Year 11,000,000) are held by Quantum Advisors Private Limited, the Holding company & its nominee.
- 2) 1% Redeemable Preference shares are redeemable at the option of the Company but on or before 14th Dec 2025 provided the shares are fully paid up.
- 3) All Preference shares (Previous Year 500,000) are held by Quantum Advisors Private Limited the Holding Company.

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

Schedule 2 Fixed Assets	Gross block				Depreciation / Amortisation				Net Block	
Particulars of Assets	Opening Balance as at 1 July 09	Additions for the year ended 30th June 10	Deletions for the year ended 30th June 10	Closing Balance as at 30th June 10	Opening Depreciation upto 30th June 09	Depreciation for the year ended 30th June 10	Depreciation on deletion for the year 30th June 10	Closing Depreciation upto 30th June 10	As at 30th June 2010	As at 30th June 2009
<u>Tangible Assets</u>										
<u>Furniture & Fixtures</u>	145,600	151,875	-	297,475	75,478	24,517	-	99,995	197,480	70,122
<u>Lease Hold Improvements</u>	5,197,700	5,454,607	-	10,652,307	5,197,700	769,711	-	5,967,411	4,684,896	-
<u>Office Equipment</u>	944,617	272,733	-	1,217,350	382,503	106,681	-	489,184	728,166	562,114
<u>Vehicles</u>	-	833,613	-	833,613	-	464,539	-	464,539	369,074	-
<u>Computers</u>	2,056,661	925,679	44,000	2,938,340	1,540,894	427,474	30,042	1,938,326	1,000,014	515,767
Total (A)	8,344,578	7,638,507	44,000	15,939,085	7,196,575	1,792,922	30,042	8,959,455	6,979,630	1,148,003
<u>Intangible Assets</u>										
<u>Computer Software</u>	1,344,924	117,496	-	1,462,420	996,373	227,288	-	1,224,261	238,159	348,551
Total (B)	1,344,924	117,496	-	1,462,420	996,373	227,288		1,224,261	238,159	348,551
Grand Total (A + B)	9,689,502	7,756,003	44,000	17,401,505	8,192,948	2,020,210	30,042	10,183,716	7,217,789	1,496,554
Previous Year	8,640,817	1,048,685	-	9,689,502	7,284,095	908,853	-	8,192,948	1,496,554	

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

SCHEDULE 3	Rupees		Rupees	
	June 30, 2010		June 30, 2009	
Investments				
CURRENT (NON TRADE - UNQUOTED)				
4,012,678 (Previous Yr 5,704,807) Units of Quantum Liquid Fund-Growth Plan	51,712,176		69,931,112	
2,530,364 (Previous Yr 2,530,364) Units of Quantum Long Term Equity Fund-Growth Plan	25,000,000		25,000,000	
1,116,091 (Previous Yr NIL) Units of HDFC Cash Magmt Fund Treasury Advtg-Growth Plan	22,556,905		-	
486 (Previous Yr 486) Units of JP Morgan India Liquid Fund - Growth Plan	5,000		5,000	
	99,274,081		94,936,112	
Notes:	Cost		Cost	
	Rupees		Rupees	
1) Aggregate of Quoted Investments	-		-	
Aggregate of Unquoted Investments	99,274,081		94,936,112	
TOTAL	99,274,081		94,936,112	
2) Details of investments purchased and sold during the year is as follows :-				
	30-June-10		30-June-09	
	Units	Amount	Units	Amount
HDFC Cash Management Treasury Advtg Plan Growth Option	3,933,531	77,643,095	527,465	10,000,000
Quantum Liquid Fund - Growth Plan	3,847,929	49,600,000	5,380,435	66,100,000
SCHEDULE 4				
Sundry Debtors				
Unsecured:				
1. Debts outstanding for a period exceeding Six months			-	-
2. Other Debts			16,490,926	10,251,605
			16,490,926	10,251,605
Less: Provision			-	-
TOTAL			16,490,926	10,251,605
Notes:			Rupees	Rupees
Debtors include:			June 30, 2010	June 30, 2009
			Amount due	Amount due
			Rupees	Rupees
1. (a) Considered Good			16,490,926	10,251,605
(b) Considered Doubtful			-	-
			16,490,926	10,251,605
2. Amount due from companies under the same management.	Amount Due	Maximum Amount Due Current Year	Amount Due Previous Year	Maximum Amount Due Previous Year
Quantum Advisors Private Limited	-	-	25,095	25,095
	-	-	25,095	25,095
SCHEDULE 5				
1. Cash Balances			-	9,721
2. Bank Balances				
With Scheduled Banks				
In Current Account			9,402,437	1,754,039
In Deposit Account *			10,149,795	10,193,184
* Includes Accrued Interest Rs. 149,795/- (Previous Year 193,184/-)				
TOTAL			19,552,232	11,956,944

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

SCHEDULE 6		Rupees	Rupees
		June 30, 2010	June 30, 2009
LOANS AND ADVANCES (ASSET)			
Unsecured			
1. Loans and Advances to :-			
Company		531,633	535,302
Employees		161,733	241,453
2. Deposit with CBLO		100,000	100,000
3. Advances recoverable in cash or in kind or for value to be received		7,968,427	3,129,872
4. Advance payment of Income tax (net)		6,135,488	1,452,570
5. Input credit of Service tax		113,267	687,693
		15,010,548	6,146,890
Less : Provision		-	-
		15,010,548	6,146,890
Note:			
1. (a) Considered Good		15,010,548	6,146,890
(b) Considered Doubtful		-	-
		15,010,548	6,146,890
2. Rent Deposit to private company in which director is a director or member			
(a) Quantum Advisors Pvt Ltd		4,822,910	-
3. Loan to company under the same management Quantum Trustee Co. Pvt. Ltd.		Amount Due	Maximum Amount Due
		Rupees	Current Year Rupees
		531,633	779,808
		531,633	779,808
		Amount Due Previous Year	Maximum Amount Due Previous Year
		Rupees	Rupees
		535,302	535,302
		535,302	535,302
SCHEDULE 7			
CURRENT LIABILITIES			
Sundry Creditors:			
i) Total outstanding dues of Micro Small and Medium Enterprises			-
ii) Total outstanding dues of creditors other than Micro Small and Medium Enterprises		1,705,378	1,062,109
Other Liabilities		1,273,209	3,476,175
TOTAL		2,978,587	4,538,284
SCHEDULE 8			
PROVISIONS			
Provision for Tax			
Provision for Gratuity		414,273	-
Provision for Income Tax (net)		-	853,887
		414,273	853,887

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

SCHEDULE 9	Rupees June 30, 2010	Rupees June 30, 2009
OTHER INCOME		
Profit on sale of Current Investments	4,153,807	4,236,742
Other Income	16,371	9,447
Foreign Exchange Gain (Net)	-	210,586
Interest On		
-Bank Deposits (Tax Deducted at Source 15,000/-) (Previous Year Tax Deducted at Source Rs.32,098/-)	641,859	864,322
- Other Interest (Tax Deducted at Source NIL) (Previous Year Tax Deducted at Source Rs. 3,493/-)	11,468	41,373
	4,823,505	5,362,470

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

SCHEDULE 10	Rupees June 30, 2010	Rupees June 30, 2009
Administration And Other Expenses		
<u>Payments to and Provisions for Employees</u>		
Salaries & Bonus	23,138,175	29,493,316
Gratuity	579,857	90,000
Staff Welfare	56,814	75,817
ESOP Compensation Expenses	-	(25,095)
Exgratia	12,770,771	-
Incentive	-	84,123
P F Employer Contribution	288,225	283,505
	36,833,842	30,001,666
Audit Fees	475,000	300,000
Brokerage	803,818	-
Courier Charges	48,826	276,382
Directors Sitting Fees	320,000	100,000
Electricity Charges	637,667	813,978
Foreign Exchange Fluctuation Loss (Net)	196,981	-
Insurance Charges	35,323	18,768
Preliminary Exps Written Off	232,780	232,780
Printing & Stationery	177,953	239,740
Professional Fees	1,554,839	948,188
Quantum Mutual Fund Expenses	4,666,888	2,021,771
Lease Rent-Office Premises (Net)	8,771,742	5,553,591
Repairs & Maintenance	613,430	443,971
Research Fees	46,235	-
Stamps & Fees	505,090	1,004,796
Telephone & Mobile Expenses	417,431	421,725
Travelling Expenses	652,416	428,434
Trustee Fees	250,000	-
Web Site Development Exps	375,000	375,000
Loss on sale / scrap of Fixed Assets	13,958	-
Miscellaneous Expenses	970,875	1,095,210
	58,600,094	44,276,000

SCHEDULE 11

Significant Accounting Policies and Notes on Accounts

(A) Significant Accounting Policies

I) Background

Quantum Asset Management Co. Pvt Ltd. was incorporated on 19 Sept 2005 as a private Limited company under the Companies Act, 1956

The Company's principal activity is to act as an Asset Management Company for Quantum Mutual Fund (the "Fund"). The Company received approval on December 5th 2005 from Securities and Exchange Board of India (SEBI) in the form of Regulation 2 (12) of the SEBI (Mutual Funds) Regulations, 1996. The Company manages investment portfolios of the scheme(s) launched by the Fund and provides various administrative services to the Fund as laid down in the Investment Management Agreement dated 7th October 2005. As on 30th June 2009 the Fund had launched 6 Schemes and for the year ended 30th June 2010 no new schemes has been launched. The Company carries out research activity and earns fee based income therefrom.

II) Significant Accounting Polices

a) Basis of Accounting

The financial statements of the Company are prepared under the historical cost convention, on an accrual basis of accounting, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

b) Use of Estimates

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

c) Fixed Assets:

Fixed Assets are stated at cost of acquisition. They are stated at historical cost less accumulated depreciation.

d) Depreciation:

Depreciation on fixed assets is provided on the written down value method at the rates and in the manner specified in schedule XIV to the Companies Act, 1956, except in the case of vehicles and computers which are depreciated at the rate of 60% per annum and lease hold improvements which are depreciated on straight line basis over the lease period.

e) Intangible Assets:

Computer Software, treated as intangible asset, is stated at cost less accumulated amortisations. It is amortised at 60% on written down value basis.

f) Preliminary Expenses

Preliminary expenses will be written off as one fifth in every year.

g) Investments:

Current Investments are carried at lower of cost or fair value. Long Term Investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

h) Revenue Recognition:

Revenue (income) is recognised when no significant uncertainty as to determination or realisation exists. Income from Asset Management / Research activity is recognized in accordance with the contract entered into with the clients.

i) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end monetary items denominated in foreign currency are reported using the closing rate of exchange. Exchange differences arising thereon and on realization / payment of foreign exchange are accounted in the relevant year as income / expense.

j) Employee Benefits:

a. Provident Fund

Provident Fund is a defined contribution Scheme and contribution made to the Government provident fund as required under the statute / rules is charged to the Profit and Loss Account when due.

b. Gratuity

Gratuity contribution is made to the Gratuity Fund of Life Insurance Corporation of India. Gratuity expenses are recorded on the basis of actuarial valuation, using projected unit credit method carried out as at the valuation date, by an independent actuary. Actuarial gains / losses are immediately taken to the profit and loss account and are not deferred.

c. Employee Stock Option Scheme

In respect of stock options granted pursuant to the Company's Stock Option Schemes, the intrinsic value of the options (excess of valuation price over the exercise price) is spread over the vesting period as Employee Compensation Expense.

k) Taxes on Income :

Tax expense comprises both current and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax is accounted using tax rates & laws that are enacted or substantively enacted. Deferred tax asset is recognized & carried forward only to the extent there is a reasonable certainty that the asset will be realized in future.

l) Borrowing Costs :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

m) Leased Assets

Operating leases: Rentals are expensed with reference to lease terms & other considerations.

n) Provision, Contingent Liabilities & Contingent Assets

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events & it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 30th JUNE, 2010

(B) Notes on Accounts	Rupees June 30, 2010	Rupees June 30, 2009
1. Contingent Liability in respect of		
(a) Preference Dividend	1,909,379	1,395,425
	1,909,379	1,395,425
2. Payments to Auditors:		
a. Statutory Auditors	400,000 *	250,000
b. Tax Auditors	75,000	50,000
c. Out of Pocket expense	1,102	1,917
* Includes Rs. 50,000/- in relation to year ended 30th June 2009	476,102	301,917
3. (a) Earnings in Foreign Exchange in respect of		
(i) Research Fees	64,080,751	41,151,139
	64,080,751	41,151,139
3. (b) Expenditure in Foreign Currency on account of :		
(i) Travelling	146,794	-
	146,794	-
4. The amount of exchange difference included in the Profit and Loss Account is:		
a. Exchange Gain	421,217	774,383
b. Exchange Loss	(618,198)	(563,797)
Net Gain / (Loss)	(196,981)	210,586
5. Components of deferred tax asset / liability as on 30th June ,2010 are as under:		
Difference in written down value of fixed assets	1,208,215	1,174,217
Disallowance under Income Tax Act	137,612	-
Deferred Tax Asset	1,345,827	1,174,217
6.(a) Lease payments recognised in the profit and loss account (net of sub-lease rent recovered Rs. 812,354/- (Previous Year Rs.1,189,301)) for the period are Rs.8771742/- (Previous Year Rs.5,553,591/-)		
6.(b) The Company has taken certain premises on a non-cancellable operating lease basis for a term of 36 months Future minimum lease rentals payable are as under		
Not more than 1 year	9,645,816	3,468,420
Later than 1 year & not later than 5 years	14,066,815	-
Later than 5 years	-	-
Future minimum sub lease rental recoverable	42,500	1,189,301
7. Mutual fund expenses include SEBI Charges, Insurance premium, Marketing & Selling expenses, custody fees etc.		
8. Earnings per share Earnings per share is calculated by dividing the profit attributable to the equity shareholder by the weighted average number of equity shares outstanding during the period.		
(a) Net profit attributable to Equity Shareholder's (Numerator)		
Profit/(Loss) after tax	34,695,612	1,688,228
Less: Preference Dividend	500,000	500,000
Profit/(Loss) attributable to equity shareholders	34,195,612	1,188,228
(b) Weighted average number of equity shares outstanding during the period (Denominator Basic & Diluted	Nos 11,000,000	Nos 11,000,000
(c) Profit/(Loss) attributable to equity shareholders Basic & Diluted	34,195,612	1,188,228
(d) Earnings per share (Rs.) Basic & Diluted	3.11	0.11
(e) Nominal Value of Shares	Rs. 10/-	Rs. 10/-
(f) Reconciliation between denominators used in basic and diluted earning per share		
Denominators used in calculating basic earnings per share (Nos)	11,000,000	11,000,000
Add: Weighted average number of dilutive potential equity (Nos) shares	-	-
Total weighted average number of equity shares outstanding during the period used for calculating diluted earnings per share (Nos)	11,000,000	11,000,000

9. Gratuity Liability at the year end is determined based on the Actuarial Valuation. Summary of Actuarial assumptions

Financial Assumptions at the valuation date:

For the period ended	31-Mar-10	31-Mar-09
	LIC (1994-96) ultimate	LIC (1994-96) ultimate
Discount Rate	8%	8%
Salary escalation Rate	4%	4%

10. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

11. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below

Amount receivable in foreign currency on account of the following

	Current Year		Previous Year	
	INR (Rs)	US \$	INR (Rs)	US \$
Export of Services	15,791,382	338,871	9,800,328	204,728

12. A trust in the name of "Quantum Advisors ESOP Trust" created on November 29, 2005 is administering the ESOP for the benefit of the company's employees.

In the earlier year, Committee of the Board of Quantum Advisors Pvt Ltd (Holding Company) approved the Employees Stock Options Plans II & IV for the grant of 151,000 stock options to the employees of the company (being its subsidiary).

Vesting period commenced from the date of grant of options and lasts over a total period of 3 years.

The value of equity shares as of the date of the grant of ESOPs II & IV respectively has been determined at Rs. 33 Per share by the management based on a valuation by an independent appraiser. As per the terms of the ESOP the exercise price in case of ESOP II is Rs. 11.49.

The ESOP Plan II was terminated during the year, as all the options within that plan had lapsed.

In case of ESOP IV considering that the exercise price is more than the value of the equity shares determined by an independent appraiser no compensation cost has been recognized by the company in accordance with the "Guidance note on accounting for employees share-based payments" issued by the Institute of Chartered Accountants of India.

Details of movement of options Particulars	ESOP II & IV		ESOP II & IV	
	For the period 1st July09 to 30th Jun10	Nos.	For the period 1st July08 to 30th Jun09	Nos.
Options outstanding at the beginning of the year	67,000		144,000	
Options granted during the year	Nil		Nil	
Options exercised during the year	(20,334)		Nil	
Options expired/ lapsed during the year	(5,000)		(57,000)	
Transferred during the year	-		(20,000)	
Terminated during the year	(36,500)		-	
Options outstanding at the end of the year	5,166		67,000	
Options Exercisable at the end of the year	5,166		44,667	

During the year, Committee of the Board of Quantum Advisors Pvt Ltd (Holding Company) approved the Employees Stock Options Plans VI, VII & VIII for the grant of 413,768 stock options to the employees of the Company (being its subsidiary).

ESOP Plan VI, VII & VIII :- Exercise period commenced from the vesting date i.e 26th March 2010 ended on 28th March 2010

The Value of equity shares as of the date of grant of ESOP Plan VI, VII & VIII has been determined at Rs. 13.58 per share by the management based on a valuation by an independent appraiser. The same has been determined after considering the discounted repurchase price in case of exiting employees. As per the terms of ESOP the exercise price in case of ESOP VI is Rs. 65.08, ESOP VII is Rs. 71.06 & in case of ESOP VIII is Rs. 25.79. Considering that the exercise price is more than the value of the equity shares determined by an independent appraiser no compensation cost has been recognized by the company in accordance with the "Guidance note on accounting for employees share-based payments" issued by the Institute of Chartered Accountants of India.

Details of movement of options Particulars	ESOP VI, VII & VIII		ESOP VI, VII & VIII	
	For the period 1st July09 to 30th Jun10	Nos.	For the period 1st July08 to 30th Jun09	Nos.
Options outstanding at the beginning of the year	-		-	
Options granted during the year	413,768		-	
Options exercised during the year	(413,768)		-	
Options outstanding at the end of the year	-		-	

As per the above mentioned guidance note, the impact on the net results and EPS both basic and diluted for the year, had the company used the "fair value" method of accounting of ESOPs has to be disclosed. "Fair value" method of accounting presumes applying generally accepted valuation methodologies for pricing financial instruments (e.g. Use of an option pricing model for valuing stock options). The Company has not gone in for the fair valuation of ESOPs for this purpose.

13 Related Party disclosures

13 (a) **Nature of Relation with Party**

Sr. No	Name of the Company	Relationship
Parties where control exists		
1	Quantum Advisors Pvt Ltd	Holding Company
2	Quantum Trustee Company Pvt Ltd	Fellow Subsidiary
3	Quantum Equity Advisors Pvt Ltd (w.e.f. 23rd July 08)	Fellow Subsidiary
Other Related Parties		
1	QIEF Management LLC	Associate
2	Primary Real Estate Advisors Pvt Ltd	Associate
3	Quantum Information Services Pvt Ltd	Associate
4	Quantum Mutual Fund	Associate
5	Equitymaster Agora Research Pvt Ltd	Associate
6	Quantum Advisors ESOP Trust	Associate
1	Devendra Nevgi (C.E.O) (Upto 4th May 2009)	Key Managerial Personnel
2	Ajit Dayal (President) (From 2nd April 2009 to 3rd May 2010)	Key Managerial Personnel
3	Jimmy A Patel (C.E.O) (w.e.f 3rd May 2010)	Key Managerial Personnel

13 (b) **Transactions With Related Parties:**

Sr. No	Name of the Company	Amount 2009-2010	Amount 2008-2009
1	Quantum Advisors Pvt Ltd		
(a)	Equity share Capital		
	Opening Balance as on 1st July	110,000,000	110,000,000
	Additions	-	-
	Closing Balance as on 30th June	110,000,000	110,000,000
(b)	Preference Capital		
	Opening Balance as on 1st July	50,000,000	50,000,000
	Additions	-	-
	Closing Balance as on 30th June	50,000,000	50,000,000
(c)	Loans		
	Opening Balance as on 1st July	-	-
	Loans taken / Amount incurred on behalf	-	4,500
	Loans refunded	-	(4,500)
	Closing Balance as on 30th June	-	-
(d)	Security Deposit for office premises		
	Opening Balance as on 1st July	-	-
	Paid during the year	4,822,910	-
	Deposit refunded	-	-
	Closing Balance as on 30th June	4,822,910	-

2 Quantum Trustee Company Pvt Ltd

Opening Balance as on 1st July	535,302	278,881
Loans taken / Amount incurred on behalf	1,199,506	781,421
Trustee Fees Expense	(250,000)	-
Loans refunded	(953,175)	(525,000)
Closing Balance as on 30th June	<u>531,633</u>	<u>535,302</u>

3 Investments**(a) Quantum Liquid Fund - Growth**

Opening Balance as on 1st July	69,931,112	66,968,378
Purchased during the year	49,600,000	66,100,000
Redeemed during the year	(67,818,936)	(63,137,266)
Closing Balance as on 30th June	<u>51,712,176</u>	<u>69,931,112</u>

(b) Quantum Equity Fund - Growth

Opening Balance as on 1st July	25,000,000	25,000,000
Purchased during the year	-	-
Redeemed during the year	-	-
Closing Balance as on 30th June	<u>25,000,000</u>	<u>25,000,000</u>

4 Outstanding Receivables/(Payables)

Quantum Advisors Pvt Ltd	(620,108)	(427,470)
QIEF Management LLC	15,791,382	9,800,329
Primary Real Estate Advisors Pvt Ltd	-	(25,221)
Quantum Mutual Fund	699,544	519,742
Quantum Information Services Pvt Ltd	(14,074)	(54,581)
Ajit Dayal * (Previous Year Re 0.25)	-	*

5 Research Fees - Income

QIEF Management LLC	64,080,751	41,151,139
Quantum Advisors Pvt Ltd	28,671,800	-

6 Asset Management Fees - Income

Quantum Mutual Fund	6,610,916	4,007,397
---------------------	-----------	-----------

7 Mutual Fund Expenses

Quantum Mutual Fund	4,666,888	2,021,771
---------------------	-----------	-----------

8 Sponsorship Expenses

Quantum Information Services Pvt Ltd	-	54,581
--------------------------------------	---	--------

9 Research Fees Expenses

Quantum Information Services Pvt Ltd	46,235	-
--------------------------------------	--------	---

10 Recovery of Expenses

Primary Real Estate Advisors Pvt Ltd	735,854	1,327,639
Equitymaster Agora Research Pvt Ltd	-	209,742
Quantum Information Services Pvt Ltd	76,500	-

11 Reimbursement of Expenses

Quantum Advisors Pvt Ltd	5,892,540	1,751,440
--------------------------	-----------	-----------

12	Deposits (Liability)		
	Primary Real Estate Advisors Pvt Ltd	-	414,000
13	Reimbursement of ESOP cost		
	Quantum Advisors Pvt Ltd	-	(25,095)
14	Remuneration to Key Management Personnel		
	Devendra Nevgi	-	3,749,511
	Ajit Dayal * (Re 0.25)	1	*
	Jimmy A Patel	806,452	-
15	Ex - Gratia to Key Managerial Personnel		
	Ajit Dayal	7,196,005	-
16	ESOP's Granted / Exercised		
	Ajit Dayal - (355,468 Options granted / Exercised dt of Holding Company - Quantum Advisors Pvt Ltd)	-	-

14. Details of remuneration paid to Managerial Personnel	Current Year (Rs.)	Previous Year (Rs.)
a) Salary	804,893	3,740,931
b) Contribution to Provident Fund	1,560	8,580
c) Ex-Gratia	7,196,005	-
	8,002,458	3,749,511

Note:- The above remuneration excludes contribution for gratuity, as the incremental liability in respect thereof has been accounted by the Company as a whole.

15. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

16. Comparative financial information is presented in accordance with the 'Corresponding Figure' financial reporting framework set out in Auditing and Assurance Standard on Comparatives. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements, and are to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond with the figures of the current financial year.

Signature to Schedule 1 to 11

for QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED

Sd/-
Ajit Dayal
DIRECTOR
Mumbai
Dated: September 27, 2010

Sd/-
I.V. Subramaniam
DIRECTOR

Sd/-
Jimmy A. Patel
CHIEF EXECUTIVE OFFICER & MANAGER

Balance Sheet Abstract and Company's General Business Profile

I.Registration Details

Registration No.	65990	State Code	11
Balance Sheet Date	30/06/2010		

II.Capital Raised during the Year(Rs.in thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III.Position of Mobilisation and Deployment of Funds (Rs.in thousands)

TOTAL LIABILITIES	TOTAL ASSETS
163,393	163,393
SOURCES OF FUNDS	
Paid Up Capital	Reserves & Surplus
160,000	NIL
Secured Loans	Unsecured Loans
NIL	NIL
APPLICATION OF FUNDS	
Net Fixed Assets	Investments
7,218	99,274
Net Current Assets	Misc.Expenditure
47,661	NIL
Accumulated Losses	Deferred Tax Asset
4,501	1,346

IV.Performance of Company (Rs.in thousands)

Turnover/Receipts	Total Expenditure
104,187	63,214
Profit Before Tax	Profit After Tax
40,973	34,696
Earnings Per Share (in Rs.)	Dividend Rate %
3.11	NIL

V.Generic Names of Principal Product/Services of Company (as per monetary terms)

Item Code No. (ITC Code)	N.A.
Product /Service Description	Asset Management / Research

Signature to Schedule 1 to 11

In terms of our report attached

for QUANTUM ASSET MANAGEMENT COMPANY PRIVATE LIMITED

Sd/-
Ajit Dayal
DIRECTOR

Sd/-
I.V. Subramaniam
DIRECTOR

Sd/-
Jimmy A. Patel
CHIEF EXECUTIVE OFFICER & MANAGER

Mumbai

Dated: September 27, 2010