

**QUANTUM INFORMATION SERVICES PRIVATE LIMITED**

**33<sup>RD</sup> ANNUAL REPORT**

**2021-22**

**QUANTUM INFORMATION SERVICES PRIVATE LIMITED  
DIRECTORS' REPORT FOR THE YEAR 2021 - 2022**

**BOARD OF DIRECTORS AS ON MARCH 31<sup>ST</sup>, 2022**

Mr. I.V. Subramaniam	Chairman
Dr. RafiqDossani	Director
Mr. Suresh Lulla	Director
Mr. Ananthan Krishnan Murali	Director

**CORPORATE OFFICE & REGISTERED OFFICE**

103, Regent Chambers  
Nariman Point  
Mumbai - 400 021

**BANKERS**

HDFC Bank Limited  
Axis Bank Limited  
State Bank of India

**STATUTORY AUDITORS**

Gandhi & Associates LLP  
Chartered Accountants  
Mumbai

# QUANTUM INFORMATION SERVICES PRIVATE LIMITED

## DIRECTORS' REPORT

To,  
The Members,

The Directors have the pleasure in presenting the Thirty Third Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2022.

### THE STATE OF THE COMPANY'S AFFAIRS

#### 1. FINANCIAL PERFORMANCE HIGHLIGHTS

##### Standalone

During the period under review, your Company registered a profit of Rs. 36,52,935/- (Rupees Thirty Six Lakhs Fifty Two Thousand Nine Hundred and Thirty Five only) for the year ended March 31, 2022 against a loss of Rs. 58,82,685/- (Rupees Fifty Eight Lakhs Eighty Two Thousand Six Hundred and Eighty Five only (after tax) for the year ended March 31, 2021.

##### Consolidated

On a consolidated basis the Company has made a profit of Rs. 1,51,75,500/- (Rupees One Crore Fifty One Lakh Seventy Five Thousand Five Hundred only) for the financial year ended on March 31, 2022 as compared to a profit of Rs. 1,12,56,428/- (Rupees One Crore Twelve Lakh Fifty Six Thousand Four Hundred and Twenty Eight only) during the previous year ending March 31, 2021. The major profit is largely due to the performance of Equity Master Agora Research Private Limited.

#### 2. OPERATIONS AND BUSINESS PERFORMANCE

The total revenue for the March ended 2021-22 was declined as compared to March ending 2021 as some of the business lines that we launched in the recent years did not see growth. Change in regulations impacted our existing business model in financial planning division., In this division your company has moved primarily to the AUM-based fee model as per SEBI's new guidelines for investment advisors. The fresh transaction for advisory clients is accepted only under direct plans, so your company may expect growth in fee income as the AUM under direct plans grows in future.

To cover the loss of revenue, your company is trying to add more revenue sources including getting sponsorships that could help it cover some of the lost revenue.

#### A. Quantum Equity Fund of Funds:

Your Company continues to provide research to Quantum Equity Fund of Funds, launched by Quantum AMC. The assets of the Fund of Funds as on March 31, 2022 stood at around Rs. 792 million as against Rs. 621 million at the end of previous financial year, an appreciation of about 28% in corpus.

#### B. Future Plans of the Company:

Your Company aims to scale up the overall revenues. Going ahead, your company will focus on creating more visibility and position itself as a Mutual Fund Research house and Personal Finance domain. Your company will be creating visibility through new modes by creating YouTube videos and being more active on social media channels as well. Your company aims to boost targeted traffic and improve user engagement on the website. The company focuses on increasing direct sales through its website, by promoting its products upfront through dedicated service pages on the website and editorials in the write-ups published on the website.

The focus also remains on building long term relationship with the existing subscribers and add features on the website to offer better user experience to the subscribers. The content on the website has also been enhanced and apart from mutual Funds your company now publishes articles around Insurance, Loans, Credit Cards, etc. With this, your company has a scope of getting more traffic on the website plus an opportunity to get new content deals and ad revenues even from Banks and Insurance companies. Additionally, your company has started publishing the MoneySimplified guides on a fortnightly basis. This will help in user engagement and opportunity for sponsorship and content deals.

#### D. KEY OPERATIONAL DATA

Below is the summary of the key financial data of your Company along with the consolidated financial data:

Particulars	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021	Financial Year ended March 31, 2022
	<b>Standalone</b>		<b>Consolidated</b>
Total Revenue	2,26,03,237	1,61,56,866	11,70,53,600
Total Expense	2,19,39,502	2,27,14,763	9,46,99,933
Profit Before Tax	6,63,735	(-)65,57,897	2,23,53,667
Tax Expense	(-) 2,89,200	(-) 6,75,212	71,78,167
Profit for the Period	36,52,935	(-)58,82,685	1,51,75,500
Earning per equity share.	0.62	(-)1.00	2.58

**OPERATIONS AND BUSINESS PERFORMANCE OF MONEY SIMPLIFIED SERVICES PRIVATE LIMITED (MSSPL)**

Money Simplified Services Private Limited is a wholly owned subsidiary of Quantum Information Services Private Limited.

There being no business income, your Company incurred a loss of Rs. 14,894/- (Rupees Fourteen Thousand Eight Hundred and Ninety Four only) in the financial year end 31st March, 2022.

**OPERATIONS AND BUSINESS PERFORMANCE OF PERSONALFN INSURANCE SERVICES INDIA PRIVATE LIMITED (PISIPL)**

PersonalFN Insurance Services India Private Limited is a wholly owned subsidiary of Quantum Information Services Private Limited.

There being no business income, your Company incurred a loss of Rs.14,100/- (Rupees Fourteen Thousand One Hundred only) in the financial year end 31st March, 2022.

**OPERATIONS AND BUSINESS PERFORMANCE OF HYNCO INDIA PRIVATE LIMITED (HYNCO)**

HYNCO India Private Limited is a wholly owned subsidiary of Quantum Information Services Private Limited.

Below is the summary of the key performance data of HYNCO:

<b>Year ending</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>% Change</b>
Revenue (Rs.)	79,32,354	94,49,606	(-) 83.94%
Net profit / (Loss) after tax (Rs.)	(-)4,78,690	5,34,165	(-)89.61%

**PERFORMANCE OF EQUITYMASTER AGORA RESEARCH PRIVATE LIMITED (EARPL) (Consolidated)**

EquityMaster Agora Research Private Limited is a Joint Venture of Quantum Information Services Private Limited.

Below is the summary of the key performance data of Consolidated of EARPL:

<b>Year ending</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>% Change</b>
Revenue (Rs.)	19,41,86,020	16,18,56,292	20%
Net profit / (Loss) after tax (Rs.)	4,31,35,150	3,32,14,065	36%

**3. TRANSFER TO RESERVES**

Your Company has not proposed to transfer any amount to reserve for the year ended March 31, 2022.

#### **4. DIVIDEND**

No Dividend was declared/is recommended by your Company for the current financial year 2021-22.

#### **5. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE**

There are no significant material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report. However, the company is facing challenges in terms of slowdown in revenues but is making all efforts to ensure improvement in revenues. Further, the new Advisory guidelines rolled out by SEBI have forced to restructure the Advisory service to AUM-based fee model, while the transactions of advisory clients are being done only in direct plans.

#### **6. CAPITAL STRUCTURE**

There are no changes in the Capital structure of the Company during the year under review.

#### **7. DIRECTORS/KMP**

The Board of Directors comprise of Mr. I.V. Subramaniam, Mr. Rafiq Dossani, Mr. Suresh Satramsingh Lulla and Mr. Ananthan Krishnan Murali.

Pursuant to Section 161(1) of the Companies Act 2013, Mr. Ananthan Krishnan Murali was appointed as Additional Director of the Company on June 25, 2021.

Mr. Ananthan Krishnan Murali was regularized as Director in the Thirty Second Annual General Meeting of the Company.

According to Article 21.5, of the Articles of Association of the Company, none of the Directors are liable to retire by rotation.

#### **8. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the financial year 2021-22, four Board Meetings were held as follows:

<b>Sr. No.</b>	<b>Date on which Board Meetings were held</b>	<b>Total Strength of Board</b>	<b>No. of Director Present</b>
1.	29.06.2021	4	4
2.	01.09.2021	4	3
3.	29.12.2021	4	3
4.	22.03.2022	4	4

The Board Meetings for the financial year 2021-22 were held through audio visual means as per the directives issued by Ministry of Corporate Affairs due to the COVID-19 pandemic.

Pursuant to the General Circular No. 08/2021, the gap between two consecutive meetings of the Board may extend to 180 days instead of 120 days and thus has complied with the provisions of the Act.

These meetings were convened in accordance with the provision of the Companies Act, 2013 and rules made thereunder, the Articles of Association of the Company and the Secretarial Standards as prescribed by the Institute of Company Secretaries of India.

#### **9. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of our knowledge and belief and according to information and explanations obtained by us and in compliance with Section 134 (3)(c) of the Companies Act, 2013 we hereby confirm that:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had 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 and loss of the company for that period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **10. FRAUDS REPORTED BY THE AUDITOR**

No fraud has been reported by the auditor to the Board for the year ended March 31, 2022.

#### **11. SUBSIDIARIES AND ASSOCIATE COMPANIES**

Your Company has three wholly owned subsidiaries:

1. PersonalFN Insurance Services India Pvt. Ltd. (PISIPL)[( name of the Company has been changed w.e.f May 17, 2017) earlier known as PersonalFN Insurance Services India Ltd. (PISIL)].
2. Money Simplified Services Private Limited [(name of the Company has been change w.e.f October 15, 2015)earlier known as Money Simplified Services Limited w.e.f May 21, 2015, erstwhile known as Equitymaster India Limited].
3. HYNGO India Private Limited incorporated on March 19, 2018.

Further, your company has two associates:

1. Equitymaster Agora Research Private Limited (EARPL), a joint venture company;
2. Common Sense Living Private Limited (CSLPL), subsidiary of Equitymaster Agora Research Private Limited.

Consolidated statement pursuant to said Section 129 of the Companies Act, 2013, in respect of PISIPL, MSSPL, HYNCO, EARPL & CSLPL along with the statement in **AOC-1 (Annexure A)** as prescribed in rule 5 of the companies (Accounts) Rules, 2014 are annexed to the Accounts of the Company.

## **12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186**

There were no loans, guarantees or investments made by your Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## **13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with related parties referred to in section 188 (1) of the Companies Act, 2013 for the Financial Year 2021-22 in the prescribed format, **AOC-2** has been annexed as **Annexure B**.

## **14. INTERNAL FINANCIAL CONTROLS**

The Company has adequate internal financial controls in place. The control systems are reviewed regularly by the internal and statutory auditors and their reports are presented to the Board of Directors of your Company with reference to financials statements.

## **15. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 regarding CSR are not applicable to your Company.

## **16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required to be disclosed as per Rule 8(3) of the Companies (Accounts) Rules, 2014 for the financial year ended 31<sup>st</sup> March, 2022 are as below:

### **a. Conservation of energy**

<b>Sr. no.</b>	<b>Particulars</b>	<b>Comments</b>
1	The steps taken or impact on conservation of energy	The operations of the Company involve low energy consumption. All efforts are being taken by the Company to avoid wastage of energy resources.
2	The steps taken by the company for utilising alternate sources of energy	N.A.



3	The capital investment on energy conservation equipments	N.A.
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**b. Technology absorption**

Sr. No.	Particulars	Comments
1	the efforts made towards technology absorption	NIL
2	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
3	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
A	the details of technology imported	N.A.
B	the year of import	N.A.
C	whether the technology been fully absorbed	N.A.
D	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
4	the expenditure incurred on Research and Development	N.A.

**c. Foreign exchange earnings and Outgo**

The details of Foreign Exchange Earnings and Outgo are as follows:

Particulars	Current Year (Rs.) 2021-22
Foreign Exchange Earnings	Nil
Foreign Exchange Outgo	1,60,406

**17. RISK MANAGEMENT POLICY**

Your Company is in the process of developing a documented Risk Management Policy. However, it has implemented a proper risk management mechanism, which includes identification and mitigation of various elements of risks.

Based on the Company's business and the various factors affecting it, the management has built a robust framework to control and mitigate risks.

- a. Internal policies and Guidelines are formulated: - A framework of internal policies and guidelines to monitor and manage regulatory and business risks are in place.
- b. Automation of various processes and procedures to ensure limited manual intervention:-  
Your Company is in the business of providing investment advisory services on mutual funds to clients across the globe. To mitigate risks emerging from manual operations, a strong IT policy backed by automation of processes, works towards mitigation of operational risks.

- c. Internal and Compliance Audit: An independent Internal Audit team undertakes periodic operations and compliance audit and recommends ways to strengthen the processes.

## **18. AUDITORS**

The Board has re-appointed M/s. Gandhi & Associates LLP, Chartered Accountants, (Firm Registration no. 102965W/W100192), as the Statutory Auditors of the Company for a period of 5 years, commencing from Thirtieth Annual General Meeting held on September 30, 2019 until the conclusion of the Thirty fifth Annual General Meeting (i.e. from April 01, 2019 till March 31, 2024).

Members are required to ratify their appointment for the third year of their five-year term and to authorize the Board of Directors to approve remuneration payable to them.

## **19. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY AUDITORS:**

There was no qualification, reservation, adverse remarks or disclaimer made by the auditors.

## **20. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has ensured adequate compliance with the Secretarial Standards as issued by the Institute of the Company Secretaries of India with respect to Board/General Meetings as applicable to the Company.

## **21. EXTRACT OF ANNUAL RETURN**

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is no longer required to be a part of the Board Report. The web-link of the Annual return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, required to be disclosed as per subsection (3) of Section 134 has been placed on the website [www.personalfn.com](http://www.personalfn.com) at <https://www.personalfn.com/legal/company-matters-activities>

## **22. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has framed a policy and constituted an 'Internal Complaint Committee' to prohibit, prevent or deter the commission of acts of sexual harassment of women at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment.

The Committee for the financial year 2021-22 comprises of following members:

Sr. No.	Name	Designation	Role
1	Ms. Swati Sharma	Compliance Officer	Chairperson
2	Navaz Master	Independent Consultant	Member
3	Deepali Gurav	Senior Accounts Executive	Member
4	Vivek Chaurasia	VP-Research & Content	Member

During the year under review, one Sexual Harassment Committee Meeting was held on December 16, 2021.

The company did not receive any complaints in relation to sexual harassment from any of the employees of the Company for the financial year 2021-22.

### **23. PARTICULARS OF EMPLOYEES**

During the financial year 2021-22, none of the employees were in receipt of remuneration as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

### **24. DEPOSITS**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

### **25. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, there are no such orders impacting the going concern status and Company's operations in future.

### **26. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUOTCY CODE 2016.**

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

### **27. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS.**

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

## **28. OTHER DISCLOSURES**

Cost records pursuant to Section 148 of the Companies Act, 2013 is not applicable to the Company.

## **29. ACKNOWLEDGEMENT**

Your Directors remain thankful to the shareholders for their continued support and record their appreciation for the sincere efforts being made by the employees for improving the performance of the Company.

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

**QUANTUM INFORMATION SERVICES PRIVATE LIMITED**

*Suresh S Lulla*

**Mr.Suresh Lulla  
Director  
DIN:00278118**



*I V Subramaniam*

**I V Subramaniam  
Director  
DIN:00253917**



**Date: 08.09.2022**

**Place: Mumbai**

**ANNEXURE A**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with  
rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	1	2	3
Name of the subsidiary	PersonalFN Insurance Services India Private Limited[( name of the Company has been changed w.e.f 17th May,2017) erstwhile known as PersonalFN Insurance Services India Limited since incorporation i.e. 14th December, 2000]	Money Simplified Services Private Limited [(name of the company has been change w.e.f October 15, 2015) erstwhile known as Money Simplified Services Limited w.e.f May 21, 2015, erstwhile known as Equitymaster India Limited]	HYNGO India Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2021 – March 31, 2022	April 1, 2021 – March 31, 2022	April 1, 2021 – March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	N.A.	N.A.	N.A.
Share capital	50,000 equity shares of Rs.10 each amounting to Rs. 500,000/-	111,520 equity shares of Rs. 10 each amounting to Rs.1,115,200/-	10,000 equity shares of Rs. 10 each amounting to Rs. 1,00,000/-
Reserves & surplus (Rs.)	(1,886,316)	(16,397,584)	6,57,399
Total assets(Rs.)	13,908	213,051	19,32,199
Total Liabilities(Rs.)	1,400,224	15,495,435	11,74,800
Investments(Rs.)	-	-	-
Turnover(Rs.)	-	-	-

Profit before taxation(Rs.)	(14,100)	(14,894)	(5,21,329)
Provision for taxation(Rs.)	-	-	(42,639)
Profit after taxation(Rs.)	(14,100)	(14,894)	(4,78,690)
Proposed Dividend(Rs.)	-	-	-
% of shareholding	100%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: **NA**
2. Names of subsidiaries which have been liquidated or sold during the year: **NA**

#### Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

<b>Name of Associates/Joint Ventures</b>	<b>Equitymaster Agora Research Private Limited</b>
<b>1. Latest audited Balance Sheet Date</b>	March 31, 2021
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	
No.	10,575 equity shares
Amount of Investment in Associates/Joint Venture	Rs. 4,102,345
Extend of Holding %	50%
<b>3. Description of how there is significant influence</b>	N.A.
<b>4. Reason why the associate/joint venture is not consolidated</b>	N.A.
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	649,64,475
<b>6. Profit / Loss for the year</b>	
i. Considered in Consolidation	225,67,575
i. Not Considered in Consolidation	225,67,575

1. Names of associates or joint ventures which are yet to commence operations: **NA**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **NA**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

QUANTUM INFORMATION SERVICES PRIVATE LIMITED

*Suresh S Lulla*

Mr.Suresh Lulla  
Director  
DIN:00278118



*I V Subramaniam*

I V Subramaniam  
Director  
DIN:00253917



Date: 08.09.2022

Place: Mumbai





FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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Director  
DIN:00253917



Date: 08.09.2022

Place: Mumbai