

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PREBON YAMANE (INDIA) LIMITED
Report on the Financial Statements**

We have audited the accompanying financial statements of PREBON YAMANE (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and 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 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 prescribed under section 133 of the Act.

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

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

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considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

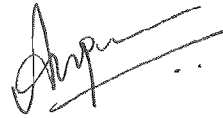
1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its 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.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

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2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



Anjum A. Qazi
Partner
(Membership No. 104968)

Place : Mumbai
Date: 9th May, 2017

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

Report on the Internal Financial Controls Over Financial Reporting 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 Prebon Yamane (India) Limited ("the Company") as of March 31, 2017 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. 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent 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 judgement, 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

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that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Anjum A. Qazi
Partner
(Membership No. 104968)

Place : Mumbai

Date: 9th May, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

- (i) (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 Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order in respect of these is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and the provisions of Sections 73 to 76 of the Companies Act, 2013 are not applicable and hence reporting under clause 3(v) of the Order is also not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- (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, Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. Employees' State Insurance, Sales Tax, Value Added Tax, Customs Duty and Excise Duty are not applicable to the Company.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

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- (c) Details of dues of Income-tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Financial Year 2011-12	5,83,070	5,83,070

There are no dues in respect of Service Tax which have not been deposited on account of disputes.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (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 by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Anjum A. Qazi
Partner
(Membership No. 104968)

Place : Mumbai

Date: 9th May, 2017

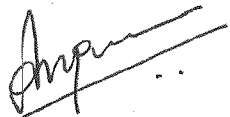
PREBON YAMANE (INDIA) LIMITED
CIN - U65990MH1995PLC091626
Balance Sheet as at March 31, 2017

	Note No.	As at 31-Mar-17 (In ₹)	As at 31-Mar-16 (In ₹)
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,94,83,330	2,94,83,330
(b) Reserves and surplus	4	13,88,82,240	11,26,53,432
		16,83,65,570	14,21,36,762
2 Non - current liabilities			
(a) Long - term provisions	5	88,71,277	69,99,802
		88,71,277	69,99,802
3 Current liabilities			
(a) Trade payables	6	-	-
(i) Total outstanding dues of Micro enterprises and Small Enterprises and		-	-
(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		1,32,22,931	58,24,387
(b) Other current liabilities	7	33,27,016	47,37,584
(c) Short - term provisions	8	1,56,42,426	1,88,08,504
		3,21,92,373	2,93,70,475
TOTAL		20,94,29,220	17,85,07,039
B. ASSETS			
1 Non - current assets			
(a) Fixed assets	9		
(i) Tangible assets		27,36,317	23,11,517
(ii) Intangible assets		3,000	3,000
		27,39,317	23,14,517
(b) Deferred tax assets (net)	10	71,82,493	34,30,562
(c) Long - term loans and advances	11	4,11,67,437	3,91,24,506
(d) Other non-current assets	12	85,96,019	80,27,782
		5,69,45,949	5,05,82,850
		5,96,85,266	5,28,97,367
2 Current assets			
(a) Trade receivables	13	1,99,86,780	1,83,04,336
(b) Cash and cash equivalents	14	12,14,38,224	10,08,90,036
(c) Short - term loans and advances	15	24,01,174	25,09,572
(d) Other current assets	16	59,17,776	39,05,728
		14,97,43,954	12,56,09,672
TOTAL		20,94,29,220	17,85,07,039


See accompanying notes forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants



Anjum A. Qazi
Partner

For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767


Wholetime Director
Mumbai

Date: 9th May, 2017


Navroze Talati
DIN - 3486070

Wholetime Director
Mumbai

Date: 9th May, 2017

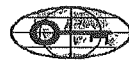

Barrv Denbahv
DIN - 2946522

Director

Date: 9th May, 2017

Place : Mumbai

Date: 9th May, 2017



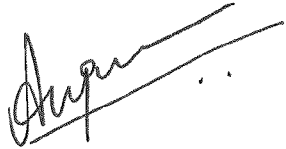
PREBON YAMANE (INDIA) LIMITED
CIN - U65990MH1995PLC091626
Profit and Loss for year ended on March 31, 2017

	Note No.	For the year ended 31-Mar-17 (In ₹)	For the year ended 31-Mar-16 (In ₹)
1 Revenue from operations	17	18,80,71,605	17,13,98,820
2 Other income	18	1,05,75,633	1,45,74,059
Total revenue		19,86,47,238	18,59,72,879
3 Expenses			
(a) Employee benefits expense	19	8,07,36,178	6,52,15,719
(b) Administration and Other expenses	20	7,17,61,694	8,83,18,255
(c) Brokerage expenses		1,24,09,290	2,29,47,084
(d) Finance costs	21	29,765	79,497
(e) Depreciation and amortisation expense	9	12,33,434	11,38,895
Total expenses		16,61,70,361	17,76,99,450
4 Profit before tax		3,24,76,877	82,73,429
5 Tax expense			
(a) Current tax		1,15,00,000	15,00,000
(b) Add : Short provision for tax relating to prior year		30,584	-
(c) Less: MAT Credit		15,30,584	-
(d) Net current tax expense		1,00,00,000	15,00,000
(e) Deferred tax		(37,51,931)	4,93,093
Net tax expense		62,48,069	19,93,093
6 Profit after tax		2,62,28,808	62,80,336
7 Earnings per equity share of ₹10/- each: -			
Basic and diluted (₹)	27	8.90	2.13

See accompanying notes forming part of the financial statements


In terms of our report attached


For **Deloitte Haskins & Sells**
Chartered Accountants

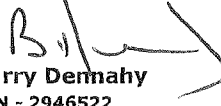

Anjum A. Qazi
Partner

Place : Mumbai
Date: 9th May, 2017

For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767
Wholetime Director
Mumbai Date: 9th May, 2017


Navroze Talati
DIN - 3486070
Wholetime Director
Mumbai Date: 9th May, 2017


Barry Demahy
DIN - 2946522
Director Date: 9th May, 2017

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PREBON YAMANE (INDIA) LIMITED
CIN - U65990MH1995PLC091626
Cash Flow Statement for the period ended March 31, 2017


	31-Mar-17 (In ₹)	31-Mar-16 (In ₹)
A. Cashflow from operating activities		
Net Profit before tax	3,24,76,877	82,73,429
<i>Adjustments for:</i>		
Depreciation and amortisation	12,33,434	11,38,895
Profit on sale of fixed assets (net)	(34,784)	(16,706)
Interest income	(88,60,929)	(1,33,51,812)
Debit balances written off	85,168	15,69,130
Credit balances written Back	(2,78,580)	-
Provision for gratuity	25,14,902	(4,84,931)
Provision for compensated leave absences	87,939	6,38,273
Provision for contingencies	(14,01,190)	63,11,001
Operating profit before working capital changes	<u>2,58,22,837</u>	<u>40,77,279</u>
<i>Changes in working capital:</i>		
<i>Adjustment for (increase)/ decrease in operating assets / liabilities :</i>		
Long - term loans and advances	(14,28,353)	(8,976)
Other non-current assets	(4,28,071)	8,02,21,147
Trade receivables	(17,77,612)	14,19,465
Short - term loans and advances	30,459	(4,09,167)
Other current assets	(14,59,106)	8,43,375
Debit / Credit balances written off/back (net)	-	(15,69,130)
Trade payables	76,77,124	(1,01,97,205)
Other current liabilities	(14,10,568)	(6,39,47,993)
Short - term provisions	(55,80,135)	(2,06,48,410)
Long - term provisions	(6,43,427)	(4,47,042)
Cash generated from operations	<u>2,08,03,148</u>	<u>(1,06,66,657)</u>
Income tax (paid) net of refunds	(67,99,333)	(89,50,339)
Net cash flow from / (used in) operating activities (A)	<u><u>1,40,03,815</u></u>	<u><u>(1,96,16,996)</u></u>
B. Cash flow from investing activities		
Purchase of fixed assets	(16,58,749)	(12,66,432)
Proceeds from sale of fixed assets	35,300	19,500
Interest received	81,67,821	1,70,06,556
Bank balance not considered as cash & cash equivalents	(1,46,98,215)	1,99,31,979
Net cash flow (used in)/ from investing activities (B)	<u><u>(81,53,843)</u></u>	<u><u>3,56,91,603</u></u>
C. Cash flow from financing activities		
Final Dividend paid (Including corporate dividend tax)	-	(1,41,94,171)
Net cash flow from / (used in) financing activities (C)	<u><u>-</u></u>	<u><u>(1,41,94,171)</u></u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<u><u>58,49,972</u></u>	<u><u>18,80,436</u></u>
Cash and cash equivalents at the beginning of the year (Note 14)	<u><u>1,25,66,237</u></u>	<u><u>1,06,85,801</u></u>
Cash and cash equivalents at the end of the year (Note 14)	<u><u>1,84,16,209</u></u>	<u><u>1,25,66,237</u></u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants



Anjum A. Qazi
Partner

 Place : Mumbai
Date: 9th May, 2017

For and on behalf of the Board of Directors



Sheetal Kapadia
DIN - 3317767

 Wholetime Director
Mumbai


Date: 9th May, 2017



Navroze Talati
DIN - 3486070

 Wholetime Director
Mumbai

Date: 9th May, 2017



Barry Denny
DIN - 2946522

Director

 Date: 9th May, 2017

PREBON YAMANE (INDIA) LIMITED

CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

1. Corporate information

Prebon Yamane (India) Limited (PYIL) is a joint venture between Crest Ventures Limited and Prebon Holdings B.V. of Netherlands (PHBV).

PYIL commenced operations in April, 1999 and is an active intermediary in the Wholesale Debt Market, Foreign Exchange Markets and Rupee Options. PYIL is empanelled with counter parties comprising of Scheduled Commercial Banks (Nationalized, Private Sector and Foreign), Co-operative Banks, Financial Institutions, Mutual Funds, Corporate Treasuries and Foreign Institutional Investors (FIIs).

PYIL has an integrated derivatives desk which intermediates on Interest Rate Swaps and Currency Options. The company is an approved Foreign Exchange Broker and has more than a decade long operations in the interbank foreign market. The operations are conducted from the registered office at Mumbai. It is among top five brokers operating in the markets and is an accredited member of the Foreign Exchange Dealers Association of India (FEDAI). PYIL's forex desk offers broking services in the INR/USD short and long swaps and outright forward segments.

PYIL is a well known player and a leading funds mobilizer for large Mutual Funds for their various schemes. The mutual fund distribution business started in 2001 and actively services large institutional investors, corporate clients and high net worth individuals through its compact and skilled AMFI certified sales team.

2. Significant accounting policies
2.1 Basis of accounting and preparation of financial statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act").

2.2 Use of estimates

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles 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 reported period. Difference between the actual result and estimates are recognized in the year in which the results are known/materialized.

2.3 Fixed assets

(a) Tangible Assets and Depreciation : The depreciation has been provided on Straight Line Method basis as per useful life prescribed in Schedule II to the Companies Act, 2013.

(b) Intangible Assets and Amortization:

An Intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of Intangible assets is allocated over the best estimate of its useful life on a straight-line basis or a basis that reflects the pattern in which the asset's economic benefits are consumed.

Depreciation on fixed assets is charged so as to amortise the cost of assets, on the following basis:

Type of asset	Method	Rate / Period
Software	Straight line	20.00%

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Revenue recognition

(a) Brokerage income is recorded net of service tax for on an accrual basis on the day of execution of the order.

(b) Forward Foreign Exchange broking income is accounted for on an accrual basis at the point of time when the deal is struck, although invoices are raised at the time when the forward contract is finally settled, thereby recognizing the income when it becomes due though not receivable. Further, no significant uncertainty exists at the point of time when the deal is struck regarding the amount of the consideration that will be derived from rendering the service.

(c) Interest income is accounted for on an accrual basis.

(d) Dividends are recorded when the right to receive payment is established.

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PREBON YAMANE (INDIA) LIMITED
CTN - U65990MH1995PLC091626

Notes forming part of the financial statements

2.6 Foreign currency transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Exchange difference, if any arising out of transactions settled during the year is recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the Statement of Profit and Loss and related assets and liabilities are accordingly re-stated in the Balance Sheet.

2.7 Employee benefits

(a) The Company contributes to Government provident fund as required by the statute, which is a defined contribution plan. The same is charged to Statement of the Profit and Loss.

(b) Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

(c) Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined on the basis of actuarial valuation, using projected unit credit method carried out at end of the year, is charged to Statement of Profit and Loss. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

2.8 Leases

Operating Lease:

Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessors, are classified as operating leases. Operating lease payments are recognised as expenditure in the statement of profit and loss on a straight-line basis, which is representative of the time pattern of benefits received from the use of the assets taken on lease.

2.9 Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.10 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is calculated at current income tax rate enacted or substantively enacted by the balance sheet date and is recognised on timing differences; being the difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence, are recognised and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in the future period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

2.11 Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

3. Share capital

	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of shares	(In ₹)	No. of shares	(In ₹)
(a) Authorised				
Equity shares of ₹10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹10/- each	29,48,333	2,94,83,330	29,48,333	2,94,83,330
	29,48,333	2,94,83,330	29,48,333	2,94,83,330

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Year ended 31 Mar., 2017		
- Number of shares	29,48,333	29,48,333
- Amount (₹)	2,94,83,330	2,94,83,330
Equity shares with voting rights		
Year ended 31 Mar., 2016		
- Number of shares	29,48,333	29,48,333
- Amount (₹)	2,94,83,330	2,94,83,330

(ii) Details of shares held by shareholders holding more than 5% shares:

	As at 31-Mar-2017		As at 31-Mar-2016	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Prebon Holdings B.V	14,15,300	48	14,15,300	48
Crest Ventures Limited	15,33,003	52	15,33,003	52
	29,48,303	100	29,48,303	100

(iii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

4. Reserves and surplus

	(In ₹)	(In ₹)
	As at 31-Mar-2017	As at 31-Mar-2016
(a) General reserve		
Opening balance	85,14,729	85,14,729
(b) Surplus in Statement of Profit and Loss		
Opening balance	10,41,38,703	9,78,58,367
Add : Profit for the year	2,62,28,808	62,80,336
	13,03,67,511	10,41,38,703
	13,88,82,240	11,26,53,432

5. Long-term provisions

	As at	As at
	31-Mar-2017	31-Mar-2016
Provision for employee benefits		
Provision for gratuity	88,71,277	69,99,802
	88,71,277	69,99,802

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

6. Trade payables

	As at 31-Mar-2017	As at 31-Mar-2016
Trade payables		
Other than acceptances	42,87,629	57,61,232
Bonus payable	85,00,000	63,155
Ex-gratia payable	4,35,302	-
	1,32,22,931	58,24,387

6a. Trade payables Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

7. Other current liabilities

	As at 31-Mar-2017	As at 31-Mar-2016
Other payables		
Statutory remittances	26,48,561	30,15,147
Others	5,86,701	16,75,887
Advance from customers	91,754	46,550
	33,27,016	47,37,584

8. Short-term provisions

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Provision for employee benefits		
(i) Provision for compensated absences	8,21,307	7,33,368
(ii) Provision for gratuity	5,38,812	5,46,064
	13,60,119	12,79,432
(b) Provision - Others		
(i) Provision for tax (net of advance tax of ₹ 5,13,70,848/-) (As at 31 Mar, 2016 ₹ 4,36,86,092/-)	1,03,79,152	65,63,908
(ii) Provision for contingencies (Refer note below)	39,03,155	1,09,65,164
	1,42,82,307	1,75,29,072
	1,56,42,426	1,88,08,504

Note : Details of provisions

Particulars	As at 1-Apr-2016	Additions	Utilisation/ Reversal (withdrawn as no longer required)	As at 31-Mar- 2017
Provision for contingent liability - SEBI registration fees	1,09,65,164	-	70,62,009 *	39,03,155
	(2,41,52,735)	(63,11,001)	(1,94,98,572)	(1,09,65,164)

* Payment made to SEBI for interest ₹ 56,60,819 and excess provision written back of ₹ 14,01,190 (Refer Note 18).

Provision for contingencies represents amount provided towards contingent liability on account of interest payable (if any) as described in note no.28.

Previous year figures are denoted in brackets.

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

Note 9 Fixed assets

A. Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1-Apr-2016	Additions	Disposals/ Adjustments	Balance as at 31-Mar-2017	Balance as at 1-Apr-2016	Additions	Disposals/ Adjustments	Balance as at 31-Mar-2017	Balance as at 31-Mar-2017	Balance as at 31-Mar-2016
(a) Leasehold improvements	21,87,187	-	-	21,87,187	21,87,187	-	-	21,87,187	-	-
(Previous year)	(21,87,187)	-	-	(21,87,187)	(21,87,187)	-	-	(21,87,187)	-	-
(b) Furniture and fixtures	18,79,552	50,625	51,014	18,79,164	12,51,573	1,24,725	51,014	13,25,285	5,53,879	6,27,979
(Previous year)	(18,84,344)	(19,828)	(24,620)	(18,79,552)	(11,53,979)	(1,22,214)	(24,620)	(12,51,573)	(6,27,979)	(7,30,365)
(c) Office equipment	15,47,700	7,72,024	24,300	22,95,424	12,26,026	2,35,287	24,057	14,37,256	8,58,168	3,21,673
(Previous year)	(15,04,078)	(1,94,187)	(1,50,565)	(15,47,700)	(12,41,410)	(1,32,387)	(1,47,771)	(12,26,026)	(3,21,675)	(2,62,669)
(d) Computer equipment	1,15,91,932	8,36,100	6,06,265	1,18,21,767	1,02,30,067	8,73,421	6,05,992	1,04,97,497	13,24,270	13,61,865
(Previous year)	(1,05,86,015)	(10,52,417)	(46,500)	(1,15,91,932)	(94,58,602)	(8,17,965)	(46,500)	(1,02,30,067)	(13,61,865)	(11,27,413)
Total	1,72,06,371	16,58,749	6,81,579	1,81,83,542	1,48,94,854	12,33,434	6,81,063	1,54,47,225	27,36,317	23,11,517
(Previous year)	(1,61,61,624)	(12,66,432)	(2,21,685)	(1,72,06,371)	(1,40,41,178)	(10,72,566)	(2,18,891)	(1,48,94,854)	(23,11,517)	(23,11,517)
B. Intangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1-Apr-2016	Additions	Disposals	Balance as at 31-Mar-2017	Balance as at 1-Apr-2016	Additions	Disposals	Balance as at 31-Mar-2017	Balance as at 31-Mar-2017	Balance as at 31-Mar-2016
(a) Godwill/Know How	1,25,00,000	-	-	1,25,00,000	1,25,00,000	-	-	1,25,00,000	-	-
(Previous year)	(1,25,00,000)	-	-	(1,25,00,000)	(1,25,00,000)	-	-	(1,25,00,000)	-	-
(b) Computer Software	3,00,000	-	-	3,00,000	2,97,000	-	-	2,97,000	3,000	3,000
(Previous year)	(3,00,000)	-	-	(3,00,000)	(2,30,671)	(66,329)	-	(2,97,000)	(3,000)	(3,000)
Total	1,28,00,000	-	-	1,28,00,000	1,27,97,000	-	-	1,27,97,000	3,000	3,000
(Previous year)	(1,28,00,000)	-	-	(1,28,00,000)	(1,27,30,671)	(66,329)	-	(1,27,97,000)	(3,000)	-

Depreciation and amortisation for the year :		
Particulars	(Amounts in ₹)	
	As at 31-Mar-2017	As at 31-Mar-2016
Depreciation for the year on tangible assets	12,33,434	10,72,566
Amortisation for the year on intangible assets	-	66,329
Depreciation and amortisation	12,33,434	11,38,895

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PREBON YAMANE (INDIA) LIMITED

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Notes forming part of the financial statements
10. Deferred tax asset (net)

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Depreciation and amortisation	9,89,894	10,85,872
(b) Employee benefits	61,92,599	23,44,690
	71,82,493	34,30,562

Note : Deferred tax asset is not considered on provision for contingencies on conservative basis.

11. Long-term loans and advances (Unsecured, considered good)

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Security deposits	1,18,24,390	1,18,22,890
(b) Prepaid expenses	48,451	1,52,182
(c) Advance tax (net of provisions of ₹ 7,27,26,097/-) (As at 31 Mar, 2016 ₹ 7,27,26,097/-)	2,76,97,136	2,70,82,558
(d) MAT Credit Entitlement (Unsecured considered good)	15,30,584	-
(e) FBT advance tax (Net)	66,876	66,876
	4,11,67,437	3,91,24,506

12. Other non-current assets

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Accruals		
Interest accrued on deposits	2,16,422	76,256
(b) Earmarked Bank Deposits (Refer note below)		
(i) Under lien with The Foreign Exchange Dealers' Asso. of India	66,04,423	61,76,352
(ii) Under lien with Fixed Income Money Market & Derivatives Asso.	17,75,174	17,75,174
	85,96,019	80,27,782

Note:-

Balances with banks / deposits which are restricted from being exchanged or used to settle a liability for more than 12 months from the balance sheet date.

13. Trade receivables (Unsecured, considered good)

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment	6,88,397	7,19,784
(b) Other Trade receivables	1,92,98,383	1,75,84,552
	1,99,86,780	1,83,04,336

14. Cash and bank balances

	As at 31-Mar-2017	As at 31-Mar-2016
A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand	27,473	35,417
(b) Stamps on hand	62,746	79,018
(c) Balances with banks		
(i) In current accounts	82,67,605	1,24,51,802
(ii) Deposit Accounts-Original maturity of 3 months or less	1,00,58,385	-
	1,84,16,209	1,25,66,237
B. Other bank balances		
(i) Deposit Accounts-Original maturity more than 3 months (Fixed deposits of ₹ 6,83,53,173/- (P.Y. ₹ 6,31,09,861/-) under lien against issue of guarantee)	10,28,37,927	8,82,84,881
(ii) Other Bank Balances in earmarked account Exchange Dues Account	1,84,088	38,918
	10,30,22,015	8,83,23,799
	12,14,38,224	10,08,90,036

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

15. Short-term loans and advances

	As at 31-Mar-2017	As at 31-Mar-2016
Unsecured, considered good		
(a) Loans and advances to employees	77,095	2,00,026
(b) Prepaid expenses	17,39,218	17,90,201
(c) Balances with Government authorities (Service Tax)	2,87,809	2,07,671
(d) Other loans and advances	2,97,052	3,01,674
(e) Superannuation fund	-	10,000
	24,01,174	25,09,572

16. Other current assets

	As at 31-Mar-2017	As at 31-Mar-2016
(a) Unbilled revenue	53,55,118	38,96,012
(b) Interest accrued on deposits	5,62,658	9,716
	59,17,776	39,05,728

17. Revenue from operations

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
(a) Sale of Services (Brokerage)	18,45,68,164	16,79,63,062
(b) Other Operating Income (Information & Services)	35,03,441	34,35,758
	18,80,71,605	17,13,98,820

18. Other income

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
(a) Interest from bank on deposits	88,60,929	1,33,51,812
(b) Miscellaneous income	150	-
(c) Net Profit on sale of asset	34,784	16,706
(d) Credit balances written-back	2,78,580	10,26,119
(e) Excess provision written back (Refer note 28)	14,01,190	1,50,000
(f) Net Gain on foreign currency transaction	-	29,422
	1,05,75,633	1,45,74,059

19. Employee benefits expense

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
(a) Salaries, allowances and bonus	7,36,03,025	6,14,12,311
(b) Contributions to Provident and other funds	28,22,262	27,63,097
(c) Provision/ (Excess Provision) for Gratuity	25,14,902	(4,84,931)
(d) Staff welfare expenses	17,95,989	15,25,242
	8,07,36,178	6,52,15,719

20. Administration and other expenses

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Lease Rent	83,79,300	83,79,300
Repairs and maintenance	22,55,291	18,49,396
Insurance	3,95,599	3,41,641
Rates and taxes	10,85,484	10,09,040
Stamp Duty	1,33,70,007	1,07,42,786
Communication expenses	33,57,772	33,47,798
Commission	36,00,000	10,26,345
Business promotion expenses	36,00,000	36,00,000
Professional fees	2,33,09,225	3,78,27,329
Payments to auditors (Refer note (i) below)	14,50,000	13,91,772
Debit balances written-off	85,168	3,93,012
Net Loss on foreign currency transaction (other than considered as finance cost)	2,11,908	-
Electricity expenses	12,37,502	13,71,550
Entertainment expenses	17,37,040	21,27,568
Sebi turnover fees	5,34,201	3,41,977
Subscription	44,86,847	54,39,076
Provision for contingencies (Refer note 28)	-	63,11,001
Other expenses	26,66,350	28,18,664
	7,17,61,694	8,83,18,255

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PREBON YAMANE (INDIA) LIMITED

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Notes forming part of the financial statements
Notes:

(i) Payments to the auditors (net of service tax input credit, where applicable):	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
As auditors - Statutory audit	11,00,000	11,85,000
As auditors - limited review	3,50,000	2,00,000
Reimbursement of expenses	-	6,772
Total	14,50,000	13,91,772

21. Finance costs

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Interest expense others:		
Interest on delayed payment of Tax Deducted at Source/ Service Tax	29,765	79,497
Total	29,765	79,497

Additional information to the Financial Statements
22. Foreign currency transactions

Expenditure incurred	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Travel	4,76,827	25,145
Subscription	14,01,555	11,83,528
Others	57,295	-
Total	19,35,677	12,08,673

Income earned	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Information & Services	35,03,441	34,35,758
Total	35,03,441	34,35,758

23. Lease rentals

The Company has taken various commercial premises under operating leases. These lease agreements are generally renewed on expiry.

	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Future minimum lease payments not later than one year	61,16,300	61,16,300
later than one year and not later than five years	10,60,200	26,50,500
later than five years	-	-

24. Segment reporting

The Company's principal business activity is to earn brokerage income from Foreign Currency Dealing (Forex), Wholesale Debt Market (WDM), Non-SLR securities and Mutual Fund distribution. Accordingly the Company operates in a single segment.

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

25. Related party transactions

A. Details of related parties

Name of related parties	Description of relationship
(i) Crest Ventures Limited (upto 07-12-2015) Crest Ventures Limited (w.e.f. 08-12-2015)	Ultimate Holding Company Holding Company
(ii) ITI Capital Holdings Private Ltd. (upto 07-12-2015)	Holding Company
(iii) Prebon Holding B V	Associate Company/Shareholder
(iv) Tullett Prebon Information Ltd.	Associate Company
(v) Sheetal Kapadia	Key Management Personnel
(v) Navroze Talati	Key Management Personnel
(vi) Tullett Prebon (Singapore) Ltd.	Associate Company

Note: Related parties have been identified by the management.

(B) Details of related party transactions for the year ended 31st March 2017 and balance outstanding as at 31st March, 2017.

(Figures in ₹)

Nature of Transactions	Holding Company	Associate Company	Key Management Personnel
Remuneration:			
(i) Ms. Sheetal Kapadia	-	-	67,69,185 (73,03,351)
(ii) Mr. Navroze Talati	-	-	1,00,00,000 (1,02,30,500)
Reimbursement of Expenses:			
Crest Ventures Limited	-	-	-
Tullett Prebon Information Ltd.	(54,96,000)	33,97,314 (28,89,800)	-
Tullett Prebon (Singapore) Ltd.	-	57,295	-
Information & Services Income:			
Tullett Prebon Information Ltd.	-	35,03,441 (34,35,758)	-
Final Dividend paid on Equity Shares - 2015			
(i) ITI Capital Holdings Pvt. Ltd.	-	-	-
(ii) Prebon Holdings B.V.	(61,32,012)	-	-
	-	(56,61,200)	-
Balances outstanding at the end of the year			
Amount Receivable :			
Tullett Prebon Information Ltd.	-	7,53,925 (8,53,392)	-

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

26. Earning per shares

Particulars	31-Mar-2017	31-Mar-2016
Profit after tax for equity shareholders	2,62,28,808	62,80,336
Weighted average number of equity shares	29,48,333	29,48,333
Basic / Diluted Earnings Per Share of ₹ 10/- each	8.90	2.13

27. Employee Benefit Plans

Short term employee benefits:

(i) The Company offers its employees defined contribution plan in the form of provident fund. Provident fund covers regular employees, including those who have opted for the scheme. The contributions are based on a certain proportion of the employee's salary. A sum of Rs.28,22,262/- (P.Y. Rs.27,63,097/-) has been charged to the Statement of Profit and Loss in this respect.

(ii) A sum of Rs. 87,939/- has been provided in the Statement of Profit and Loss in respect of compensated absences whereas excess provision of Rs. 6,38,273/- was reversed in the previous year.

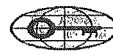
Post employment and long term benefits:

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based either on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

		GRATUITY (NON- FUNDED)	
I	Assumptions as at 31-03-2017	31-Mar-17	31-Mar-16
		Figures in ₹	
		IALM(2006-08) Ult.	
	Mortality	6.69%	7.46%
	Interest/ Discount Rate	10.00%	10.00%
	Rate of increase in compensation		
	Rate of return (expected) on plan assets		
	Employee Attrition Rate (Past Service (PS))	PS: 0 to 5 : 12% PS: 5 to 40: 3%	PS: 0 to 5 : 15% PS: 5 to 40: 3%
	Expected average remaining services	12.63	12.21
II	Changes in present value of obligations		
	PVO at beginning of period	75,45,866	83,51,134
	Interest cost	5,38,651	6,36,438
	Current Service Cost	10,70,100	14,73,339
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Benefits Paid	(6,50,679)	(3,20,337)
	Actuarial (Gain)/Loss on obligation	9,06,151	(25,94,708)
	PVO at end of period	94,10,089	75,45,866
III	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of period	-	-
	Expected Return on Plan Assets	-	-
	Contributions	6,50,679	3,20,337
	Benefit Paid	(6,50,679)	(3,20,337)
	Actuarial Gain/(Loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
IV	Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of period	-	-
	Actual Return on Plan Assets	-	-
	Contributions	6,50,679	3,20,337
	Benefit Paid	(6,50,679)	(3,20,337)
	Fair Value of Plan Assets at end of Period	-	-
	Funded Status (including unrecognised past serve cost)	-	-
	Excess of actual over estimated return on Plan Assets	-	-

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

V	Experience History	31-Mar-17	
	(Gain)/Loss on obligation due to change in Assumption	9,74,237	(13,18,671)
	Experience (Gain)/Loss on obligation	(68,086)	(12,76,037)
	Actuarial Gain/(Loss) on plan assets	-	-
VI	Actuarial Gain/ (Loss) Recognized		
	Actuarial Gain/(Loss) for the period (Obligation)	(9,06,151)	25,94,708
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	(9,06,151)	25,94,708
	Actuarial Gain/(Loss) recognized for the period	(9,06,151)	25,94,708
	Unrecognized Actuarial Gain/(Loss) at end of Period	-	-
VII	Past Service Cost Recognised		
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Average remaining future service till vesting of the benefit	-	-
	Recognised Past service Cost-non vested benefits	-	-
	Recognised Past service Cost- vested benefits	-	-
	Unrecognised Past Service Cost-non vested benefits	-	-
VIII	Amounts to be recognized in the balance sheet and statement of profit & loss		
	PVO at the end of period	94,10,089	75,45,866
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	-	-
	Unrecognized Actuarial Gains/(Loss)	-	-
	Unrecognised Past Service Cost-non vested benefits	-	-
	Net Asset/(Liability) recognized in the balance sheet	-	-
IX	Expense recognized in the statement of P&L A/C		
	Current Service Cost	10,70,100	14,73,339
	Interest cost	5,38,651	6,36,438
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Unrecognised Past Service Cost-non vested benefits	-	-
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the period	9,06,151	(25,94,708)
	Expense recognized in the statement of P & L A/C	25,14,902	(4,84,931)
X	Movements in the Liability recognized in Balance Sheet		
	Opening Net Liability	75,45,866	83,51,134
	Expenses as above	25,14,902	(4,84,931)
	Benefits paid	(6,50,679)	(3,20,337)
	Closing Net Liability	94,10,089	75,45,866
XI	Revised Schedule VI		
	Current Liability	5,38,812	5,46,064
	Non-Current Liability	88,71,277	69,99,802
XII	Projected Service Cost 31 Mar 2018	13,78,461	-

Gratuity Experience History	31-03-2017	31-03-2016	31-03-2015	31-12-2013	31-12-2012
(Gain)/Loss on obligation due to change in Assumption	9,74,237	(13,18,671)	14,26,937	(7,05,995)	(6,71,696)
Experience (Gain)/Loss on obligation	(68,086)	(12,76,037)	(9,88,041)	(7,78,221)	(23,55,808)

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PREBON YAMANE (INDIA) LIMITED
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Notes forming part of the financial statements

28. SEBI liability

The Company had a dispute with SEBI pertaining to payment of registration fees as provided in Regulation 10 read with Schedule III of Stock brokers & Sub-brokers Regulation, 1992. In 2004 the Company had paid an amount of Rs. 4.64 Cr under protest and provided for it in the accounts. Subsequently in 2005 the SEBI Securities Appellate Tribunal (SAT) had decided the matter in favor of the Company. Pursuant to this, in October 2005 SEBI had filed an appeal with the Supreme Court against the SAT Order. In Mar 2006 the Honorable Supreme court granted an interim relief to the Company permitting them to withdraw the deposit on furnishing of a Bank guarantee. In 2010 the Company exercised the option of withdrawing the deposit on furnishing of a bank guarantee and SEBI refunded the disputed amount of Rs 4.64cr along with interest of Rs 1.56 Cr.

The Company continued to carry the provision for the registration fees and the interest thereon totally amounting to Rs. 6.20 Cr and also created a provision of Rs 2.41 Cr towards the interest at the approximate prevailing bank rates on the total amount refunded of Rs 6.20 Cr. During the previous year, the matter had been decided by the Honourable Supreme Court in favor of SEBI. Based on this decision, SEBI demanded an amount of Rs 11.59 Cr which includes interest of Rs 6.95 Cr. The Company contends that while calculating the demand, SEBI has considered an interest rate of 15% instead of the bank rate as mentioned in the Honourable Supreme Court Order. Further when SEBI refunded the money to them it was based on the existing Bank rate. Based on advice from a legal consultant, the Company had paid the amount of Rs 4.64 Cr which was the original amount paid under protest, together with interest received at the time of withdrawal of the said amount, on the basis of Honourable Supreme court Interim order, of Rs 1.56 Cr (totally amounting to 6.20 Cr) and interest of Rs 1.94 Cr for the period from the withdrawal till the date of payment calculated at the respective bank rates during that period on December 30, 2015. Simultaneously the Company had written to SEBI clarifying its contention. On February 4, 2016, SEBI revised its calculation of interest which has been based on Corporation Bank fixed deposit rates and modified the demand for interest to Rs 3.04 Cr as against the amount of Rs.1.94 Cr as per the Company. The Company was not in agreement with the same. However, the Company provided for the amount of Rs. 6.20 Cr and interest of Rs. 3.04 Cr as demanded by SEBI.

SEBI issued a notice of attachment on March 10, 2016 and sought to initiate attachment proceedings if the balance for differential interest was not deposited by the Company within 15 days. Consequently, the Company had filed an appeal with SAT contending that they had duly discharged their liability by paying the Rs. 8.14 Cr. SEBI then filed a counter affidavit with the SAT in reply. The hearing for the same took place on June 6, 2016.

As per the SAT Order dated June 6, 2016, the Company has recomputed the interest liability and paid an amount of Rs 0.56 Cr.

On August 31, 2016, SEBI raised an additional demand of Rs. 0.39 Cr after re-computing the interest at rates higher than the Corporation Bank deposit rates used when it made it's previous demand on February 4, 2016. The Company has objected to the same vide a letter dated Spetember 22, 2016 to SEBI. However, the Company has retained a provision of Rs. 0.39 Cr and reversed the balance amount of Rs. 0.14 Cr.

The Company has filed an appeal with SAT for the aforesaid dispute.

29.Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08-11-2016	19,500	1,344	20,844
(+) Cash withdrawn from bank	-	1,24,690	1,24,690
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	(81,106)	(81,106)
(-) Amount deposited in Banks	(19,500)	(20,000)	(39,500)
Closing cash in hand as on 30-12-2016			24,928

30. Disclosure regarding derivatives instruments

Category-wise quantitative data about derivative instrument that are outstanding at the balance sheet date: - Nil

The purpose, viz., hedging or speculation, for which such derivative instrument have been acquired and:- Nil


The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as of balance sheet date in respect of other liability NIL (Previous year NIL) and receivables of USD 11,294 ₹ 7,53,925/- (Previous year USD 12,778 ₹ 8,53,392/-).

31. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767
Wholetime Director
Mumbai
Date: 9th May, 2017


Navroze Talati
DIN - 3486070
Wholetime Director
Mumbai
Date: 9th May, 2017


Barry Dannahy
DIN - 2946522
Director
Date: 9th May, 2017

