

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Crest Wealth Management Private Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Crest Wealth Management Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss and statement of Cash Flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



### Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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 specified under section 133 of the Act read with rule 7 of Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 appears from our examination of those books;
  - c) The Balance Sheet, 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 specified under section 133 of the Act;
  - e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 B". 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355



**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place- Mumbai  
Date: 14<sup>th</sup> May, 2019



- vii) In respect of Statutory dues :
- a) According to the records of the Company, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.
- b) According to the records of the Company, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.
- viii) The Company has not raised loans from financial institutions or banks or government or by issue of debentures and hence clause (viii) of paragraph 3 of the order is not applicable to the Company.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the order is not applicable to the company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or 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 paid managerial remuneration which are in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.
- xii) In our opinion Company is not a nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In respect of transactions with related parties:  
In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.



- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) To the best of our knowledge and as explained the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No. 101720W/W100355



**Amit Chaturvedi**  
Partner  
Membership No. 103141

Place- Mumbai  
Date: 14<sup>th</sup> May, 2019



**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF CREST WEALTH MANAGEMENT PRIVATE LIMITED.**

(Referred to in paragraph 2 (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 Control over financial reporting of **Crest Wealth Management Private Limited** ("the company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year then ended.

**Management Responsibility for the 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**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 issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 2019, 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 issued by the ICAI.

For Chaturvedi & Shah LLP  
Chartered Accountants  
Firm Registration No. 101720W/W100355



Amit Chaturvedi  
Partner  
Membership No. 103141

Place- Mumbai  
Date: 14<sup>th</sup> May, 2019





**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**BALANCESHEET AS AT MARCH 31, 2019**

(Amount in ₹)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	60,000,000	60,000,000
Reserves and Surplus	4	(41,762,997)	(32,563,191)
		18,237,003	27,436,809
<b>Non Current Liabilities</b>			
Long Term Provision	5	810,747	378,468
		810,747	378,468
<b>Current Liabilities</b>			
Trade Payables			
Due to Micro and Small Enterprises		-	-
Due to Others	6	2,338,702	4,194,814
Other Current Liabilities	7	914,569	1,269,610
Short Term Provisions	8	83,603	8,214
		3,336,874	5,472,638
<b>TOTAL</b>		<b>22,384,624</b>	<b>33,287,915</b>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	9	394,605	717,072
Deferred Tax Assets (net)	10	7,463,325	7,320,367
Long Term Loans and Advances	11	450,000	810,000
		8,307,930	8,847,439
<b>Current Assets</b>			
Current Investments	12	510,203	-
Trade Receivables	13	7,150,123	11,102,232
Cash and Cash Equivalents	14	3,304,541	2,915,494
Short Term Loans and Advances	15	3,111,827	9,121,326
Other Current Assets	16	-	1,301,424
		14,076,694	24,440,476
<b>TOTAL</b>		<b>22,384,624</b>	<b>33,287,915</b>

Significant Accounting Policies

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Notes to the Financial Statements

2 to 29

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
(Firm Registration No. 101720W/W100355)

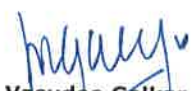
**For and on behalf of the Board of Directors**



**Amit Chaturvedi**  
Partner  
Membership No. 103141



Place: Mumbai  
Date: May 14, 2019

  
**Vasudeo Galkar**  
Chairman  
(DIN: 00009177)

  
**Karishma Mistry**  
Company Secretary



**N Balaji Vaidyanath**  
Director  
(DIN: 07011406)



**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

Particulars	Note No.	For Year ended March 31, 2019	For Year ended March 31, 2018
<b>REVENUE</b>			
Revenue from Operations	17	24,575,568	33,987,283
Other Income	18	1,442,984	1,849,106
<b>Total revenue</b>		<b>26,018,552</b>	<b>35,836,389</b>
<b>EXPENDITURE</b>			
Employee Benefits Expenses	19	15,310,468	14,063,287
Depreciation and Ammortisation Expenses	9	385,384	575,990
Distributors Fees		8,877,865	11,563,378
Other Expenses	20	10,787,600	9,600,529
<b>Total expenses</b>		<b>35,361,317</b>	<b>35,803,184</b>
<b>(Loss) / Profit before Tax</b>		<b>(9,342,765)</b>	<b>33,205</b>
<b>Tax Expense:</b>			
Deferred tax		(142,958)	26,035
<b>(Loss) / Profit after Tax</b>		<b>(9,199,807)</b>	<b>7,170</b>
<b>Earnings per equity share of ₹10 each</b>			
Basic and Diluted	22	(1.53)	0.00

Significant Accounting Policies 2  
Notes to the Financial Statements 2 to 29

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
(Firm Registration No. 101720W/W100355)

**For and on behalf of the Board of Directors**



**Amit Chaturvedi**  
Partner  
Membership No. 103141



Place: Mumbai  
Date: May 14, 2019



**Vasudeo Galkar**  
Chairman  
(DIN: 00009177)



**Karishma Mistry**  
Company Secretary



**N Balaji Vaidyanath**  
Director  
(DIN: 07011406)



**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(Loss) / Profit before Tax as per Statement of Profit and Loss	<b>(9,342,765)</b>	<b>33,205</b>
<u>Adjustments for:</u>		
Depreciation	385,384	575,990
Gain on sale of Current Investments	(142,845)	(236,145)
Profit on Sale of Fixed Assets	(46,746)	-
Interest on Income Tax refund	(10,684)	-
Other Interest Income	(979,759)	(1,446,027)
Provision for Gratuity	432,137	(23,383)
Provision for Leave Encashment	75,531	6,756
<b>Operating Cashflow before Working Capital Changes</b>	<b>(9,629,747)</b>	<b>(1,089,604)</b>
<u>Changes in Working Capital:</u>		
(Increase) / Decrease in Trade & Other Receivables	3,952,109	(2,460,808)
Increase / (Decrease) in Other Current Liabilities	(2,211,153)	1,535,770
<b>Cash Used in Operations</b>	<b>(7,888,791)</b>	<b>(2,014,642)</b>
Taxes Paid (Net)	(535,499)	(264,029)
<b>Net Cash Flow Used in Operating Activities</b>	<b>(8,424,290)</b>	<b>(2,278,671)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(64,171)	(406,478)
Sale of Fixed Assets	48,000	3,999
Purchase of Current Investments	(18,500,000)	(15,500,000)
Redemption / Sale of Current Investments	18,132,643	16,937,802
Interest Received	2,281,183	1,000,713
Movement in Long Term Loans and Advances	360,000	(810,000)
Movement in Short Term Loans and Advances	6,555,681	2,849,949
<b>Net Cash Flow Generated from Investing Activities</b>	<b>8,813,336</b>	<b>4,075,985</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Net Cash Flow Generated from / (Used in) Financing Activities</b>	-	-
<b>INCREASE IN CASHFLOWS</b>	<b>389,046</b>	<b>1,797,314</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	2,915,495	1,118,181
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>3,304,541</b>	<b>2,915,495</b>
<b>Cash and Cash Equivalents Comprises of :</b>		
Cash on Hand	17,467	16,278
Balance with Banks	3,287,074	2,899,217

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.

As per our report of even date  
**For Chaturvedi & Shah LLP**  
Chartered Accountants  
(Firm Registration No. 101720W/W100355)

For and on behalf of the Board of Directors



  
**Vasudeo Galkar**  
Chairman  
(DIN: 00009177)

  
**N Balaji Vaidyanath**  
Director  
(DIN: 07011406)

**Amit Chaturvedi**  
Partner  
Membership No. 103141



  
**Karishma Mistry**  
Company Secretary



Place: Mumbai  
Date: May 14, 2019

**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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**Note 1: CORPORATE INFORMATION**

Crest Wealth Management Private Limited (the 'Company') incorporated on 22nd February, 2008, is a private limited company domiciled in India with its registered office located at 111, Maker Chambers IV, 11th Floor, Nariman Point, Mumbai 400021. The Company is a SEBI registered Portfolio Managers providing investment management services for family offices, corporates and high net worth individuals with a focus on superior risk-adjusted returns.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES**

**a Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b Use of estimates**

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

**c Revenue Recognition**

Fee income including advisory fees, Portfolio Management fees and other fees and are accounted for on accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.

Brokerage and Interest income is recognised on accrual basis.

Dividend income is recognised when the right to receive payment is established.

**d Investments**

Current investments are valued at lower of cost and net realisable value. The comparison of cost and fair value is done separately in respect of each category of investments.

Long term investments are stated at cost. Diminution in value in long term investment is provided for where the management is of the opinion that the diminution is of permanent nature.

**e Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs include all expenses incurred to bring the asset to its present location and condition.

**f Depreciation**

Depreciation is provided under the "written down value" method in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life.

**g Impairment of assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is chargeable to the statement of profit and loss in the year in which an asset is identified as impaired, if any.

The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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**h Income tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961 of India.

Minimum Alternate 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. 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.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable / virtual certainty that the assets will be realised in future.

**i Foreign currency transactions**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

**j Provisions, contingent liabilities and contingent assets**

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood or outflow of resources is remote, no provisions or disclosures are made.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provisions are reversed.

Contingent assets are neither recognised nor disclosed in the financial statements.

**k Retirement benefits to employees:**

Post employment benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services.

The Company offers its employee's defined-benefit plan in the form of a gratuity scheme. The liability in respect of defined benefit plan is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Actuarial gains and losses in respect of post employment benefits are charged to the statement of profit and loss.

Company's contribution to the pension scheme is recognised during the year in which the related service is rendered.

All other short-term benefits for employees are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

Particulars	As at March 31, 2019		As at March 31, 2018	
<b>NOTE 3: SHARE CAPITAL</b>				
<b>(a) Authorised:</b> 10,000,000 (P.Y 10,000,000) Equity Shares of ₹10/- each		100,000,000		100,000,000
<b>(b) Issued, Subscribed and Fully paid up</b> 6,000,000 (P.Y 6,000,000) Equity Shares of ₹10/- each fully paid up		60,000,000		60,000,000
<b>TOTAL</b>		<b>60,000,000</b>		<b>60,000,000</b>
<b>(c) Details of Shareholders holding more than 5% shares:</b>				
	<b>No. of Shares</b>	<b>% of held</b>	<b>No. of Shares</b>	<b>% of held</b>
Crest Ventures Limited	3,720,000	62%	3,720,000	62%
Dues Berg Bosson Financial Services Private Limited	1,560,000	26%	1,560,000	26%
Rajeev Mehrotra	720,000	12%	720,000	12%
<b>(d) Details of Shares held by the holding company</b>				
	<b>No. of Shares</b>	<b>% of held</b>	<b>No. of Shares</b>	<b>% of held</b>
Crest Ventures Limited	3,720,000	62%	3,720,000	62%
<b>(e) Reconciliation of Share Capital:</b>				
	<b>No. of Shares</b>	<b>(Amount in ₹)</b>	<b>No. of Shares</b>	<b>(Amount in ₹)</b>
Equity shares at the beginning of the year	6,000,000	60,000,000	6,000,000	60,000,000
Additions during the Year	-	-	-	-
Deletions during the Year	-	-	-	-
Equity shares at the end of the year	<b>6,000,000</b>	<b>60,000,000</b>	<b>6,000,000</b>	<b>60,000,000</b>
<b>(f) Terms and Rights of Equity Share Holders:</b>				
The Company has only one class equity shares having face value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares holders are also entitled to dividend as and when proposed by the Board of Directors and approved by share holders in Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts which shall be in proportion to the number of shares held by the shareholders.				
<b>NOTE 4: RESERVES AND SURPLUS</b>				
<b>Deficit in the Statement of Profit and Loss</b>				
Opening Balance		(32,563,191)		(32,570,361)
Profit / (Loss) for the Year		(9,199,806)		7,170
Closing Balance		(41,762,997)		(32,563,191)
<b>TOTAL</b>		<b>(41,762,997)</b>		<b>(32,563,191)</b>
<b>NOTE 5: LONG TERM PROVISION</b>				
Provision for Gratuity (refer note no. 24)		810,747		378,468
<b>TOTAL</b>		<b>810,747</b>		<b>378,468</b>
<b>NOTE 6: TRADE PAYABLES</b>				
Due to Micro and Small Enterprises (refer note no. 25)		-		-
Due to Others		2,338,702		4,194,814
<b>TOTAL</b>		<b>2,338,702</b>		<b>4,194,814</b>
<b>NOTE 7: OTHER CURRENT LIABILITIES</b>				
Statutory Due Payable		787,105		1,235,125
Provision for expenses		127,464		34,485
<b>TOTAL</b>		<b>914,569</b>		<b>1,269,610</b>
<b>NOTE 8: SHORT TERM PROVISION</b>				
Provision for Compensated absences		82,287		6,756
Provision for Gratuity (refer note no. 24)		1,316		1,458
<b>TOTAL</b>		<b>83,603</b>		<b>8,214</b>



**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

**NOTE 9: PROPERTY, PLANT AND EQUIPMENT**

DESCRIPTION	Gross Block				Depreciation				Net Block	
	As at April 01, 2018	Additions	Deletions	As at March 31, 2019	As at April 01, 2018	Addition For the Year	Deletion For the Year	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computers	1,059,154	64,171	125,388	997,937	797,256	183,570	124,134	856,692	141,245	261,898
Motor Vehicle	1,331,928	-	-	1,331,928	945,737	169,021	-	1,114,758	217,170	386,191
Office Equipments	94,097	-	-	94,097	68,127	15,631	-	83,758	10,339	25,970
Furniture & Fixtures	47,881	-	-	47,881	4,868	17,162	-	22,030	25,851	43,013
<b>Total</b>	<b>2,533,060</b>	<b>64,171</b>	<b>125,388</b>	<b>2,471,843</b>	<b>1,815,988</b>	<b>385,384</b>	<b>124,134</b>	<b>2,077,238</b>	<b>394,605</b>	<b>717,072</b>
<b>Previous Year</b>	<b>2,167,082</b>	<b>406,478</b>	<b>40,500</b>	<b>2,533,060</b>	<b>1,276,499</b>	<b>575,990</b>	<b>36,501</b>	<b>1,815,988</b>	<b>717,072</b>	<b>890,583</b>



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

Particulars	As at March 31, 2019		As at March 31, 2018	
<b>NOTE 10 : DEFERRED TAX ASSETS (NET)</b>				
Related to Property, Plant and Equipment		181,464		170,499
Disallowances under Income Tax Act, 1961 and Carry forward Losses		7,281,861		7,149,868
<b>TOTAL</b>		<b>7,463,325</b>		<b>7,320,367</b>
<b>NOTE 11 : LONG TERM LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Security Deposit		450,000		810,000
<b>TOTAL</b>		<b>450,000</b>		<b>810,000</b>
<b>NOTE 12 : CURRENT INVESTMENTS</b>				
(Non Trade Investments)				
<b>In Mutual Fund - Unquoted</b>				
227.089 (NIL) Kotak Low Duration Fund Standard Growth (Regular Plan)		510,203		-
<b>TOTAL</b>		<b>510,203</b>		<b>-</b>
Aggregate value of investments in Mutual funds (Unquoted)				
At Carrying value		510,203		-
At Net asset value		519,221		-
<b>NOTE 13 : TRADE RECEIVABLES</b>				
(Unsecured and considered good)				
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		872,304		-
Other Debts		6,277,819		11,102,232
<b>TOTAL</b>		<b>7,150,123</b>		<b>11,102,232</b>
<b>NOTE 14 : CASH AND CASH EQUIVALENTS</b>				
Cash on Hand		17,467		16,278
Balance with Banks				
In Current Account		3,287,074		2,899,217
<b>TOTAL</b>		<b>3,304,541</b>		<b>2,915,495</b>
<b>NOTE 15 : SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Intercompany Loans		-		7,500,000
Loan to Employees		-		32,000
Security Deposit		810,000		-
Advance Tax (net of provision)		1,250,052		703,869
Balance with Government Authorities		187,362		256,530
Prepaid Expenses		771,303		431,632
Others		93,111		197,295
<b>TOTAL</b>		<b>3,111,827</b>		<b>9,121,326</b>
<b>NOTE 16 : OTHER CURRENT ASSETS</b>				
Interest Receivable		-		1,301,424
<b>TOTAL</b>		<b>-</b>		<b>1,301,424</b>





**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in ₹)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>NOTE 17: REVENUE FROM OPERATIONS</b>		
Portfolio Management Fees	20,400,240	31,154,668
Brokerage and Advisory Fees	4,175,328	2,832,615
<b>TOTAL</b>	<b>24,575,568</b>	<b>33,987,283</b>
<b>NOTE 18: OTHER INCOME</b>		
Gain on sale of Current Investments	142,845	236,145
Profit on sale of Property, Plant and Equipment	46,746	-
Interest on Income Tax refund	10,684	-
Interest Income	979,759	1,446,027
Others	262,950	166,934
<b>TOTAL</b>	<b>1,442,984</b>	<b>1,849,106</b>
<b>NOTE 19: EMPLOYEE BENEFITS EXPENSES</b>		
Salaries	14,704,228	13,974,846
Contribution to other fund and schemes	71,286	-
Gratuity (refer note no. 24)	432,137	(23,383)
Staff Welfare	102,817	111,824
<b>TOTAL</b>	<b>15,310,468</b>	<b>14,063,287</b>
<b>Note 20: OTHER EXPENSES</b>		
Business Promotion Expenses	907,814	828,010
Director Sitting fees	210,000	269,000
Electricity Expenses	161,172	150,542
Filing Fees	5,200	9,090
Franking and Notary Charges	31,502	162,240
General Expenses	745,121	377,582
Insurance Expenses	25,281	36,278
Membership Fees (SEBI Fees + AMFI)	189,088	334,140
Loss on foreign currency transactions	103,579	59,055
Payment to Auditors (refer note no. 20.1)	100,000	100,000
Printing and Stationery	266,640	381,964
Professional Fees	497,484	763,431
Rates and Taxes	2,500	11,728
Rent Paid	3,390,000	2,430,000
Software Charges	794,491	443,826
Subscription Fees	1,803,200	1,584,979
Telephone Expenses	512,394	483,930
Travelling and Conveyance Expenses	1,042,134	1,174,734
<b>TOTAL</b>	<b>10,787,600</b>	<b>9,600,529</b>
<b>Note 20.1: Payment to Auditors as</b>		
Statutory Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
	<b>100,000</b>	<b>100,000</b>
<b>Note 21: FOREIGN CURRENCY TRANSACTIONS</b>		
<b>Expenditure</b>		
Foreign Travelling Expenses	-	121,980
Distributors Fees	3,603,543	2,662,370
Others	54,274	28,968
<b>TOTAL</b>	<b>3,657,817</b>	<b>2,813,318</b>
<b>NOTE 22: EARNINGS PER SHARE (EPS)</b>		
(a) Net Profit / (Loss) as per Statement of Profit and Loss	(9,199,807)	7,170
(b) Weighted Average number of equity shares used as denominator for calculating EPS	6,000,000	6,000,000
(c) Basic and Diluted Earnings per share of face value of ₹10/- each	(1.53)	0.00



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**NOTE 23 : Disclosure in respect of applicability of Accounting Standard 18 "Related Party Disclosures":**

**( i ) List of related parties and relationships with whom transactions have taken place during the year:**

<b>Name of the Party</b>	<b>Relationship</b>
Crest Ventures Limited	Holding Company
Fine Estates Private Limited	Ultimate Holding Company
Crest Capital & Investment	Entity where the Ultimate holding company is a partner
Dues Berg Bosson Financial Services Private Limited	Enterprise having significant influence
N. Balaji Vaidyanath	Key Managerial Personnel

**( ii ) Transactions during the year with related parties**

	<b>F.Y. 2018-19</b>	<b>F.Y. 2017-18</b>
Portfolio Management Fees		
N. Balaji Vaidyanath	17,880	30,846
Crest Capital & Investment	65,613	72,993
Sale of Fixed Assets		
Crest Capital & Investment	-	3,999
Managerial Remuneration		
N. Balaji Vaidyanath	5,444,004	5,499,897

**( iii ) Closing Balance as at March 31, 2019 :**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Trade Receivables		
Crest Capital & Investment	18,081	21,453
N. Balaji Vaidyanath	-	9,065

**NOTE 24: As per Accounting Standard (AS) 15 "Employee benefits", the disclosures as defined in the AS - 15 are given below:**

**Defined contribution plan**

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

<b>Particulars</b>	<b>F.Y. 2018-19</b>	<b>F.Y. 2017-18</b>
Employer's Contribution to Pension Schemes	71,286	-

**Defined benefit plan**

The Company offers its employee's defined-benefit plan in the form of a gratuity scheme. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employee's. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and Losses of the changed actuarial assumptions are charged to the statement of profit and loss. Gratuity scheme is not funded however, provision as per Accounting Standard 15 has been made in the financial statement.

	<b>F.Y. 2018-19</b>	<b>F.Y. 2017-18</b>
<b>1. Actuarial assumptions</b>		
Mortality	IALM(2006-08) Ult.	IALM(2006-08) Ult.
Interest/discount rate	7.66%	7.60%
Rate of increase in compensation	10.00%	10.00%
Rate of return (expected) on plan assets		
Employee attrition rate ( past service (PS) )	PS:0 to 5 Years: 15%	PS:0 to 5 Years: 20%
	PS:6 to 47 Years 0.00%	PS:6 to 47 Years 0.00%
Expected average remaining service	16.80	11.78
<b>2. Changes in present value of obligations</b>		
Present value of obligation at the beginning of the year	441,344	403,309
Interest cost	33,542	26,981
Current service cost	314,035	259,033
Past service cost- non vested benefits	-	-
Past service cost- vested benefits	-	-
Benefits paid	-	-
Actuarial (gain)/loss on plan obligation	53,851	(340,106)
Present value of obligation at the end of the year	842,772	441,344



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

<b>3. Changes in fair value of plan assets</b>					
Fair value of plan assets at beginning of the year	-	-			
Expected return on plan assets	-	-			
Contributions	-	-			
Benefit paid	-	-			
Actuarial gain/(loss) on plan assets	-	-			
Fair value of plan assets at end of the year	-	-			
<b>4. Fair value of plan assets</b>					
Fair value of plan assets at beginning of the year	-	-			
Actuarial return on plan assets	-	-			
Contributions	-	-			
Benefit paid	-	-			
Fair value of plan assets at end of the year	-	-			
Funded Status (including unrecognised past service cost)	(842,772)	(441,344)			
Excess of actual over estimated return on Plan Assets	-	-			
<b>5. Experience history</b>					
(Gain)/loss on obligation due to change in assumptions	94,583	(145,127)			
Experience (gain)/loss on obligation	(40,732)	(194,979)			
Actuarial gain/(loss) on plan assets	-	-			
<b>6. Actuarial gain/(loss) recognised</b>					
Actuarial gain/(loss) for the year (obligation)	(53,851)	340,106			
Actuarial gain/(loss) for the year (plan assets)	-	-			
Total gain/(loss) for the year	(53,851)	340,106			
Actuarial gain/(loss) recognised for the year	(53,851)	340,106			
Unrecognised actuarial gain/(loss) at end of year	-	-			
<b>7. Past service cost recognised</b>					
Past service cost- non vested benefits	61,418	92,127			
Past service cost- vested benefits	-	-			
Average remaining future service till vesting of the benefit	2	3			
Recognised past service cost- non vested benefits	30,709	30,709			
Recognised past service cost- vested benefits	-	-			
Unrecognised past service cost- non vested benefits	30,709	61,418			
<b>8. Amount to be recognised in the balance Sheet and statement of profit and loss</b>					
Present value of obligation at the end of the year	842,772	441,344			
Fair value of plan assets at end of the year	-	-			
Funded status	(842,772)	(441,344)			
Unrecognised actuarial gain/(loss)	-	-			
Unrecognised past service cost- non vested benefits	30,709	61,418			
Net asset/(liability) recognised in the balance sheet	(812,063)	(379,926)			
<b>9. Amount to be recognised in the statement of profit and loss</b>					
Current service cost	314,035	259,033			
Interest cost	33,542	26,981			
Past service cost- non vested benefits	61,418	92,127			
Past service cost- vested benefits	-	-			
Unrecognised past service cost- non vested benefits	(30,709)	(61,418)			
Expected return on plan assets	-	-			
Net actuarial (gain)/loss recognised for the year	53,851	(340,106)			
Expense recognised in the Statement of profit and loss	432,137	(23,383)			
<b>10. Movement in the liability recognised in balance sheet</b>					
Opening net liability	379,926	403,309			
Adjustment to opening balance	-	-			
Expenses as above	432,137	(23,383)			
Contribution paid	-	-			
Closing net liability	812,063	379,926			
<b>11. Expected contribution for the next financial year</b>	416,138	314,035			
<b>Amounts recognised in current year and previous four years</b>					
	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Defined benefit obligation	842,772	441,344	403,309	-	-
Fair value of plan assets	-	-	-	-	-
(Surplus) / Deficit in the plan	(842,772)	(441,344)	(403,309)	-	-
Actuarial (gain) / loss on plan obligation	53,851	(340,106)	-	-	-
Actuarial gain / (loss) on plan assets	-	-	-	-	-



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**CREST WEALTH MANAGEMENT PRIVATE LIMITED**  
**[CIN: U74140MH2008PTC179329]**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**NOTE 25 : DUES TO MICRO AND SMALL ENTERPRISES:**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2019. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**NOTE 26 : SEGMENT REPORTING:**

The business of the Company is considered to constitute one single primary segment i.e. Portfolio Management and related services in context of Accounting Standard (AS - 17) on "Segment Reporting", hence no separate segment disclosures is given.

**NOTE 27 : LEASE RENTALS:**

The Company has taken commercial premise under operating lease. Lease rent amounting to ₹33,90,000/-(previous year ₹24,30,000/-) has been debited to statement of profit and loss. The future minimum lease expense is as under:

	As at March 31, 2019	As at March 31, 2018
Future minimum lease payments:		
not later than one year	1,800,000	3,240,000
later than one year and not later than five years	7,590,000	12,042,000
later than five years	-	-

**NOTE 28 :**

Additional information as required under Section 186(4) of the Companies Act, 2013 during the year:

- (i) No investment made in Body Corporate;
- (ii) No Loan given by the Company to Body Corporate or person;
- (iii) No Guarantee is given by the Company;
- (iv) No Security is provided by the Company in connection with Loan taken by Body Corporate or person.

**NOTE 29:**

The previous year figures have been regrouped, reworked, rearranged and reclassified, wherever considered necessary.

As per our report of even date

**For Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No. 101720W/W100355)

**Amit Chaturvedi**

Partner

Membership No. 103141



Place: Mumbai

Date: May 14, 2019

**For and on behalf of the Board of Directors**

**Vasudeo Galkar**

Chairman

(DIN: 00009177)

**N Balaji Vaidyanath**

Director

(DIN: 07011406)

**Karishma Mistry**

Company Secretary

