

INDEPENDENT AUDITOR'S REPORT

To The Members of CREST FINSERV LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of CREST FINSERV LIMITED (formerly known as TULLET PREBON (INDIA) LIMITED AND PREBON YAMANE (INDIA) LIMITED), ("the Company"), which comprise the Balance Sheet as at 31st March 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 ("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 Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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 during the course of our 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 information, we are required to report that fact. We have nothing to report in this regards.

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 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 Standards and other accounting principles generally accepted in India. 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 statement 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial 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 the 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 standalone 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 Section 143(3) of the Act, based on our audit, 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 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 specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st

- f) March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- g) 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.
- h) 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.
- i) 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, as amended 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.

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: 14/05/2019

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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 Crest Finserv Limited (formerly known as Tullett Prebon (India) Limited and Prebon Yamane (India) Limited) ("the Company") as of March 31, 2019 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.

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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 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: 14/05/2019

10/10/19

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

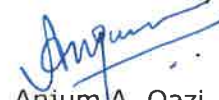
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans and making of investments. The Company has not provided any guarantees during the year.
- (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) Maintenance of Cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business carried out by the Company. Hence, reporting under clause (vi) 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, Goods and 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, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

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- (c) There are no dues of Income-tax, Goods and 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 material 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.
- (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: 14/05/2019





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Balance Sheet as at March 31, 2019

	Note No.	As at 31-Mar-19 (Audited) (In ₹)	As at 31-Mar-18 (Audited) (In ₹)
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	294,83,330	294,83,330
(b) Reserves and surplus	4	1617,25,948	1543,13,855
		<u>1912,09,278</u>	<u>1837,97,185</u>
2 Non current liabilities			
(a) Long - term provisions	5	113,84,178	99,04,491
		<u>113,84,178</u>	<u>99,04,491</u>
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		151,19,610	118,12,346
(b) Other current liabilities	7	48,02,257	35,77,330
(c) Short term provisions	8	77,38,067	122,11,847
		<u>276,59,934</u>	<u>276,01,523</u>
TOTAL		<u>2302,53,390</u>	<u>2213,03,199</u>
B. ASSETS			
1 Non current assets			
(a) Fixed assets	9	-	-
(i) Tangible assets		27,66,265	25,13,382
(ii) Intangible assets		3,46,077	45,572
		<u>31,12,342</u>	<u>25,58,954</u>
(b) Deferred tax assets (net)	10	46,14,399	50,37,012
(c) Long term loans and advances	11	457,81,635	449,89,376
(d) Other non current assets	12	93,76,842	191,50,165
		<u>597,72,876</u>	<u>691,76,553</u>
		<u>628,85,218</u>	<u>717,35,507</u>
2 Current assets			
(a) Current Investments	13	330,12,475	-
(b) Trade receivables	14	186,97,405	144,60,412
(c) Cash and cash equivalents	15	223,30,266	1286,80,152
(d) Short term loans and advances	16	779,24,694	28,36,872
(e) Other current assets	17	154,03,332	35,90,256
		<u>1673,68,172</u>	<u>1495,67,692</u>
TOTAL		<u>2302,53,390</u>	<u>2213,03,199</u>

See accompanying notes forming part of the financial statements 1 to 33

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Anjum A. Qazi

Partner
Place : Mumbai

Date: 14/05/2019

For and on behalf of the Board of Directors

Sheetal Kapadia
DIN - 3317767

Wholetime Director

Place : Mumbai

Date : May 14, 2019

Urnati Upadhyay

Company Secretary

Place : Mumbai

Date : May 14, 2019

Navroze Talati

DIN - 3486070

Wholetime Director

Place : Mumbai

Date : May 14, 2019





CREST FINSERV LIMITED

Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Profit and Loss for the year ended on March 31, 2019

	Note No.	For the year ended 31-Mar-19 (Audited) (In ₹)	For the year ended 31-Mar-18 (Audited) (In ₹)
1 Revenue from operations	18	1865,03,471	1832,22,655
2 Other income	19	146,51,187	108,90,220
Total revenue		2011,54,658	1941,12,875
3 Expenses			
(a) Employee benefits expense	20	1033,83,382	873,54,977
(b) Administration and other expenses	21	777,43,817	719,38,054
(c) Brokerage expenses		102,06,346	153,96,047
(d) Finance costs	22	2,55,661	9,323
(e) Depreciation and amortisation expense	9	12,34,758	11,97,296
Total expenses		1928,23,964	1758,95,697
4 Profit before tax		83,30,694	182,17,178
5 Tax expense			
(a) Current tax		21,15,000	53,50,000
(b) Add: Excess provision for tax relating to prior years		(16,19,012)	(46,64,000)
(c) Less: MAT Credit		-	45,918
(d) Net tax expense		4,95,988	6,40,082
(e) Deferred tax charge		4,22,613	21,45,481
Net tax expense		9,18,601	27,85,563
6 Profit after tax		74,12,093	154,31,615
7 Earnings per equity share of ₹10/- each: - Basic and diluted (₹)	29	2.51	5.23

See accompanying notes forming part of the financial statements 1 to 33

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Anjum A. Qazi
Partner

Place : Mumbai
Date : 10/05/2019



For and on behalf of the Board of Directors

Sheetal Kapadia
DIN - 3317767
Wholetime Director
Place : Mumbai
Date : May 14, 2019

Unnati Upadhyay
Company Secretary
Place : Mumbai
Date : May 14, 2019

Navroze Talati

DIN - 3486070
Wholetime Director
Place : Mumbai
Date : May 14, 2019





CREST FINSERV LIMITED

Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited

CIN - U65990MH1995PLC091626

Cash Flow Statement for the year ended March 31, 2019

	31-Mar-19 (In ₹)	31-Mar-18 (In ₹)
A. Cashflow from operating activities		
Net Profit before tax	83,30,694	182,17,178
<i>Adjustments for:</i>		
Depreciation and amortisation	12,34,758	11,97,296
Profit on sale of fixed assets (net)	(6,180)	(6,965)
Interest income	(93,29,765)	(87,65,397)
Credit balances written Back	(36,410)	(88,192)
Profit on sale of mutual fund investments	(12,475)	-
Interest on Income Tax Refund	(9,25,846)	-
Provision for Doubtful Debts	1,25,759	-
Provision for gratuity	14,74,348	12,65,036
Provision for compensated leave absences	6,10,793	1,52,843
Provision for contingencies	(29,03,155)	-
Operating profit before working capital changes	(14,37,479)	119,71,799
<i>Changes in working capital:</i>		
<i>Adjustment for (increase)/ decrease in operating assets / liabilities :</i>		
Long term loans and advances	(9,95,592)	14,57,725
Trade receivables	(43,62,752)	55,26,368
Short term loans and advances	(87,822)	(4,35,698)
Other current assets	(111,05,481)	23,27,520
Trade payables	33,43,673	(13,22,393)
Other current liabilities	12,24,927	2,50,314
Cash generated from operations	(134,20,526)	197,75,634
Income tax (paid) net of refunds	(17,52,888)	(95,24,989)
Net cash flow (used in)/ from operating activities (A)	(151,73,414)	102,50,645
B. Cash flow from investing activities		
Purchase of fixed assets & capital advance	(15,91,412)	(12,27,468)
Proceeds from sale of fixed assets	19,447	7,500
Purchase of current investments	(410,00,000)	-
Proceeds from sale of current investments	80,00,000	-
Inter Corporate Deposits given	(1050,00,000)	-
Inter Corporate Deposits returned	300,00,000	-
Interest received	86,22,170	89,30,729
Bank balance not considered as cash & cash equivalents	1162,08,123	(142,02,534)
Net cash flow from / (used in) investing activities (B)	152,58,328	(64,91,773)
C. Cash flow from financing activities		
Net cash flow from / (used in) financing activities (C)	-	-
Net increase in Cash and cash equivalents (A+B+C)	84,914	37,58,872
Cash and cash equivalents at the beginning of the year (Note 15)	221,75,081	184,16,209
Cash and cash equivalents at the end of the year (Note 15)	222,59,995	221,75,081

See accompanying notes forming part of the financial statements 1 to 33

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

Anjum A. Qazi

Partner

Place : Mumbai

Date : 14/05/2019



Shapadi
Sheetal Kapadia
DIN - 3317767
Wholetime Director
Place : Mumbai
Date : May 14, 2019

Talati

Navroze Talati
DIN - 3486070
Wholetime Director
Place : Mumbai
Date : May 14, 2019

Upadhyay
Urnati Upadhyay
Company Secretary
Place : Mumbai
Date : May 14, 2019



CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626
Notes forming part of the financial statements

1. Corporate information

Prebon Holdings B.V. of Netherlands ("PHBV") was 48.003% equity stake holder in Crest Finserv Limited ("CFL") formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited.

Crest Venture Limited ("CVL") was holding 51.996% of equity share capital of CFL has bought-out the entire stake of PHBV. Accordingly, upon consummation of the Share Purchase Agreement ("SPA") between PHBV, CVL and CFL, CVL will hold 99.99% equity share capital of CFL.

As a part of the SPA, to mark the exit of PHBV from CFL the name is changed to CREST FINSERV LIMITED w.e.f. 25th July, 2018.

CFL commenced operations in April, 1999 and is an active intermediary in the Wholesale Debt Market, Foreign Exchange Markets and Rupee Options. CFL 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).

CFL 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). CFL's forex desk offers broking services in the INR/USD short and long swaps and outright forward segments.

CFL 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. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

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.





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626
Notes forming part of the financial statements

(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
Software	Straight line

2.4 Investments

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.5 Revenue recognition

(a) Brokerage income is recorded net of service tax / GST 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.

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.





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626
Notes forming part of the financial statements

(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.





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

3. Share capital

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of shares	(In ₹)	No. of shares	(In ₹)
(a) Authorised				
Equity shares of ₹10/- each	100,00,000	1000,00,000	100,00,000	1000,00,000
	100,00,000	1000,00,000	100,00,000	1000,00,000
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹10/- each	29,48,333	294,83,330	29,48,333	294,83,330
	29,48,333	294,83,330	29,48,333	294,83,330

Notes:

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

	As at 31-Mar-2019		As at 31-Mar-2018	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Crest Ventures Limited*	29,48,333	100.00%	15,33,003	51.996%
Prebon Holdings B.V	-	-	14,15,300	48.003%
	29,48,333	100.00%	14,15,300	48.003%

* Alongwith its nominees

(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 in proportion to their shareholding.

4. Reserves and surplus

	(In ₹)	
	As at 31-Mar-2019	As at 31-Mar-2018
(a) General reserve		
Opening balance	85,14,729	85,14,729
Add: Transferred from surplus in Statement of Profit and Loss	-	-
	85,14,729	85,14,729
(b) Surplus in Statement of Profit and Loss		
Opening balance	1457,99,126	1303,67,511
Add : Profit for the year	74,12,093	154,31,615
	1532,11,219	1457,99,126
	1617,25,948	1543,13,855

5. Long-term provisions

	As at 31-Mar-2019	As at 31-Mar-2018
Provision for employee benefits		
Provision for gratuity	113,84,178	99,04,491
	113,84,178	99,04,491





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

6. Trade payables

	As at 31-Mar-2019	As at 31-Mar-2018
Trade payables		
Other than acceptances	50,05,526	33,12,346
Bonus payable	101,14,084	85,00,000
	151,19,610	118,12,346

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

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
(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-2019	As at 31-Mar-2018
Other payables		
Statutory remittances	43,87,907	23,38,919
Others	3,66,821	11,47,814
Advance from customers	47,529	90,597
	48,02,257	35,77,330

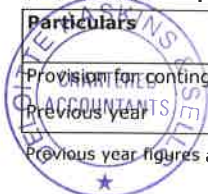
8. Short-term provisions

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Provision for employee benefits		
(i) Provision for compensated absences	15,84,943	9,74,150
(ii) Provision for gratuity	7,65,295	7,70,634
	23,50,238	17,44,784
(b) Provision - Others		
(i) Provision for tax (net of advance tax of ₹ 6,17,50,000/-) (Previous year ₹ 6,00,75,111/-)	43,87,829	65,63,908
(ii) Provision for contingencies (Refer note below)	10,00,000	39,03,155
	53,87,829	104,67,063
	77,38,067	122,11,847

Note : Details of provisions

Particulars	As at 1-Apr-2018	Utilisation/ Reversal (withdrawn as no longer required)	31-03-2019
Provision for contingent liability - SEBI registration fees	39,03,155	29,03,155	10,00,000
Previous year	39,03,155	-	39,03,155

Previous year figures are denoted in brackets.



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Note 9 Fixed assets

(Amounts in ₹)

A. Tangible assets	Gross block			Accumulated depreciation and impairment			Net block		
	Balance as at 1-Apr-2018	Additions	Disposals/ Adjustments	Balance as at 31-Mar-2019	Balance as at 1-Apr-2018	Additions	Disposals/ Adjustments	Balance as at 31-Mar-2019	Balance as at 31-Mar-2018
(a) Leasehold improvements (Previous year)	21,87,187	-	-	21,87,187	21,87,187	-	-	-	-
(b) Furniture and fixtures (Previous year)	18,96,530	2,71,883	75,005	20,93,408	14,53,625	1,41,067	71,567	5,70,284	4,42,905
(c) Office equipment (Previous year)	23,67,819	3,26,691	37,677	26,56,833	16,15,304	2,78,998	31,618	7,94,149	7,52,514
(d) Computer equipment (Previous year)	126,19,474	8,45,338	8,40,266	126,24,546	113,01,512	7,57,698	8,36,496	14,01,832	13,17,962
Total (Previous year)	190,71,010	14,43,912	9,52,948	195,61,974	165,57,628	11,77,763	9,39,681	27,66,265	25,13,382
B. Intangible assets	Gross block			Accumulated depreciation and impairment			Net block		
	Balance as at 1-Apr-2018	Additions	Disposals	Balance as at 31-Mar-2019	Balance as at 1-Apr-2018	Additions	Disposals	Balance as at 31-Mar-2019	Balance as at 31-Mar-2018
(a) Godwill/Know How (Previous year)	125,00,000	-	-	125,00,000	125,00,000	-	-	125,00,000	-
(b) Computer Software (Previous year)	3,50,000	3,57,500	-	7,07,500	3,04,428	56,995	-	3,61,423	45,572
Total (Previous year)	128,50,000	3,57,500	-	132,07,500	127,97,000	56,995	-	128,61,423	45,572
	(128,00,000)	(50,000)	-	(128,50,000)	(127,97,000)	(7,428)	-	(128,04,428)	-

(Amounts in ₹)

Particulars	Depreciation and amortisation for the year :	
	For the year ended	For the year ended
Depreciation for the year on tangible assets	31-Mar-2019	31-Mar-2018
Amortisation for the year on intangible assets	11,77,763	11,89,868
Depreciation and amortisation	56,995	7,428
	12,34,758	11,97,296





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

10. Deferred tax asset (net)

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Depreciation and amortisation	7,50,754	7,44,542
(b) Employee benefits	35,70,948	32,15,199
(c) Provision for contingencies	2,60,000	10,77,271
(d) Provision for doubtful debt	32,697	-
	46,14,399	50,37,012

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

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Security deposits	122,17,390	118,24,390
(b) Prepaid expenses	1,96,056	1,21,311
(c) Advance tax (net of provisions of ₹ 8,79,52,136 /-) (Previous year ₹ 7,27,26,097/-)	327,73,466	327,66,799
(d) FBT advance tax (Net)	66,876	66,876
(e) Capital advances	-	2,10,000
(f) Loans to employees	5,27,847	-
	457,81,635	449,89,376

12. Other non-current assets

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Accruals Interest accrued on deposits	1,54,425	51,090
(b) Earmarked Bank Deposits (Refer note below)		-
(i) Under lien with The Foreign Exchange Dealers' Asso. of India	74,47,243	70,21,937
(ii) Under lien with Fixed Income Money Market & Derivatives Asso.	17,75,174	17,75,174
(c) Deposit Accounts-Original maturity of more than 1 year	-	103,01,964
	93,76,842	191,50,165

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. Current Investments

	As at 31-Mar-2019	As at 31-Mar-2018
(i) Investments in Mutual Funds (at cost) (Non trade Investments) In mutual fund - unquoted (120,424.105 units of ICICI Prudential Liquid Fund-Growth)	330,12,475	-
	330,12,475	-
Market value of unquoted investments as at 31-03-2019	331,25,637	





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

14. Trade receivables (Unsecured, considered good)

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Less : Provision for doubtful debt	1,32,254 1,25,759	11,53,272 -
(b) Other Trade receivables	6,495 186,90,910	11,53,272 133,07,140
	186,97,405	144,60,412

15. Cash and bank balances

	As at 31-Mar-2019	As at 31-Mar-2018
A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand	26,976	30,194
(b) Stamps on hand	35,384	51,748
(c) Balances with banks		
(i) In current accounts	91,97,635	84,36,035
(ii) Deposit Accounts-Original maturity of 3 months or less	130,00,000	136,57,104
	222,59,995	221,75,081
B. Other bank balances		
(i) Deposit Accounts-Original maturity more than 3 months (Fixed deposits of ₹ Nil/- (Previous year ₹ 6,83,53,173/-)	-	1063,88,192
(ii) Other Bank Balances in earmarked account Exchange Dues Account	70,271	1,16,879
	70,271	1065,05,071
	223,30,266	1286,80,152

16. Short-term loans and advances

	As at 31-Mar-2019	As at 31-Mar-2018
Unsecured, considered good		
(a) Loans and advances to employees	5,72,657	1,20,000
(b) Prepaid expenses	21,65,084	22,67,516
(c) Balances with Government authorities	-	1,73,279
(d) Other loans and advances	1,86,953	2,76,077
(e) Inter Corporate Deposits (Refer Note 25)	750,00,000	-
	779,24,694	28,36,872





CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

17. Other current assets

	As at 31-Mar-2019	As at 31-Mar-2018
(a) Unbilled revenue	145,25,725	34,20,244
(b) Interest accrued on deposits	8,77,607	1,70,012
	154,03,332	35,90,256

18. Revenue from operations

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
(a) Sale of Services (Brokerage)	1793,60,050	1787,50,376
(b) Other Operating Income (Information & Services)	71,43,421	44,72,279
	1865,03,471	1832,22,655

19. Other income

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
(a) Interest from bank on deposits	37,69,765	87,65,397
(b) Interest on iner corporate deposit	55,60,000	-
(c) Miscellaneous income	5,160	-
(d) Net Profit on sale of asset	6,180	6,965
(e) Credit balances written-back	36,410	88,192
(f) Interest on staff loan	32,883	-
(g) Other income	13,99,313	20,29,666
(h) Interest income refunds	9,25,846	-
(i) Excess provision written-back (SEBI Liability - Interest)	29,03,155	-
(j) Profit on sale of mutual fund investments	12,475	-
	146,51,187	108,90,220

20. Employee benefits expense

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
(a)Salaries, allowances and bonus	961,72,223	805,32,012
(b)Contributions to Provident and other funds	36,05,672	31,26,678
(c) Provision for gratuity	16,72,666	14,81,383
(d)Staff welfare expenses	19,32,821	22,14,904
	1033,83,382	873,54,977



2



CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

21. Administration and other expenses

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Lease rent	83,79,300	83,79,300
Repairs and maintenance	26,04,475	23,19,829
Insurance	21,757	2,75,966
Rates and taxes	4,35,044	5,83,456
Stamp duty	112,22,532	115,31,608
Communication expenses	26,59,339	34,77,690
Commission	26,69,500	17,50,000
Business promotion expenses	43,53,598	36,03,428
Donations	7,000	-
Professional fees	256,76,098	241,10,921
Directors Sitting Fees	40,000	-
Payments to auditors (Refer note (i) below)	16,04,259	14,50,000
Bad debts / Debit balances written-off	7,72,427	4,32,789
Net loss on foreign currency transaction	1,15,251	2,33,355
Provision for Doubtful Debts	1,25,759	-
Electricity expenses	12,51,060	12,51,128
Entertainment expenses	21,64,526	24,58,054
SEBI turnover fees	3,71,956	4,64,125
Subscription	76,66,310	70,10,469
Service Tax Payment	24,53,936	-
Other expenses	31,49,690	26,05,936
	777,43,817	719,38,054

Notes:

(i) Payments to the auditors (net of service tax input credit, where applicable):	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
As auditors - statutory audit	11,00,000	11,00,000
As auditors - others	5,00,000	3,50,000
As auditors - Out of Pocket Expenses	4,259	-
	16,04,259	14,50,000

22. Finance costs

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Interest expense others:		
Interest on delayed payment of Tax Deducted at Source	9,010	9,323
Interest on Income Tax	2,46,651	-
	2,55,661	9,323



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CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

Additional information to the Financial Statements

23. Estimated amount of contracts remaining to be executed on capital account net of advances NIL (previous year Rs.2,03,000).

24. Foreign currency transactions

Expenditure incurred	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Travel	92,562	1,57,480
Subscription	14,59,418	13,47,214
	15,51,980	15,04,694

Income earned	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Information & Services	71,43,421	44,72,279
Other Income	13,99,313	20,29,666
	85,42,734	65,01,945

25. Additional information as required under Section 186 (4) of Companies Act, 2013 as at March 31, 2019

(i) No investment is made in body corporate.

(ii) The purpose for which the loan is given by the Company to the body corporates is as under:

Name	Amount (in Rupees)	Purpose
Brijwasi Securities Pvt. Ltd.	300,00,000	General Corporate Purpose
Ananta Landmarks Pvt. Ltd.	750,00,000	General Corporate Purpose

(iii) No Guarantees or Security provided by the Company to a body corporate or a person.

Disclosures under Accounting Standards

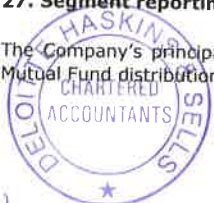
26. Lease rentals

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

	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Future minimum lease payments		
not later than one year	61,16,300	78,49,200
later than one year and not later than five years	22,52,925	45,26,000
later than five years	-	-

27. Segment reporting

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



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Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited

CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

28. Related party transactions

A. Details of related parties

Sr.No	Name of related parties	Description of relationship
1	Crest Ventures Limited	Holding Company
2	Fine Estates Private Limited	Ultimate Holding Company
3	Surbhi Investments & Trading Company Private Limited	Enterprise over which Director of Fine Estates Private Limited, exercise significant influence
4	Kempro Traders Private Limited	Enterprise over which Director of Fine Estates Private Limited, exercise significant influence
5	V J Finsecurities Private Limited	Enterprise over which Director of Fine Estates Private Limited, exercise significant influence
6	Vijay Choraria	Individual having significant influence over the enterprise
7	Sheetal Kapadia	Key Management Personnel
8	Navroze Talati	Key Management Personnel
9	Caladium Properties Private Limited (upto June 29, 2018)	Fellow Subsidiary
10	Crest Residency Private Limited	Fellow Subsidiary
11	Crest Wealth Management Private Limited	Fellow Subsidiary
12	Intime Spectrum Tradecom Private Limited	Fellow Subsidiary
13	Crest Capital and Investment Private Limited	Fellow Subsidiary
14	Escort Developers Private Limited	Fellow Subsidiary
15	Priyanka Finance Private Limited	Fellow Subsidiary
16	Allium Shelters Private Limited	Fellow Subsidiary
17	HJB Builders & Developers Private Limited	Fellow Subsidiary
18	ITI Insurance Brokers Private Limited	Fellow Subsidiary
19	Mind Factory Entertainment Private Limited	Fellow Subsidiary
20	Fine Capital Resources Private Limited	Fellow Subsidiary
21	Nirmal Capital Services Private Limited	Fellow Subsidiary
22	A K Equities Private Limited	Fellow Subsidiary
23	Crest Partners LLP	Fellow Subsidiary
24	Crest Capital & Investment	Fellow Subsidiary
25	Oracle Insurance Services Private Limited	Fellow Subsidiary
26	Prebon Holding B V (upto July 25, 2018)	Entity having significant influence

Note: Related parties have been identified by the management.

(B) Details of related party transactions for the year ended 31st March 2019 and balance outstanding as at 31st March, 2019.

(Figures in ₹)

Nature of Transactions	Ultimate Holding Company	Enterprise over which Director of Fine Estate Pvt. Ltd., exercise significant influence	Key Management Personnel
Remuneration:			
(i) Ms. Sheetal Kapadia	-	-	105,10,121 (88,84,802)
(ii) Mr. Navroze Talati	-	-	124,99,996 (102,99,996)
Rent Expense:			
(i) Fine Estate Private Limited	67,89,000 (67,89,000)	-	-
Brokerage Expenses			
Surbhi Investment & Trading Co. Pvt. Ltd.	-	89,78,736	-
	-	(153,96,047)	-
Balances outstanding as at the year end			
Brokerage Expenses-Payable			
Surbhi Investment & Trading Co. Pvt. Ltd.		14,28,589 (7,58,528)	





CREST FINSERV LIMITED

Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626

Notes forming part of the financial statements

29. Earning per shares

Particulars	31-Mar-2019	31-Mar-2018
Profit after tax for equity shareholders	74,12,093	154,31,615
Weighted average number of equity shares	29,48,333	29,48,333
Basic / Diluted Earnings Per Share of ₹10/- each	2.51	5.23

30. 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.34,35,986/- (P.Y. Rs.31,26,678/-) has been charged to the Statement of Profit and Loss in this respect.

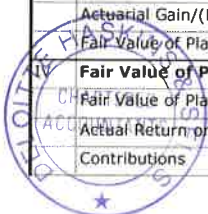
(ii) A sum of Rs.6,10,793/- (P.Y. Rs.1,52,843) has been provided in the Statement of Profit and Loss in respect of compensated absences.

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 are charged to the profit and loss account. Gratuity scheme is not funded. However, provision as per revised (AS-15) has been made in the financial statements.

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 31-03-2019	31-Mar-19	31-Mar-18
		Figures in ₹	
	Mortality	IALM(2006-08) Ult.	
	Interest/ Discount Rate	7.60%	7.40%
	Rate of increase in compensation	8.00%	8.00%
	Rate of return (expected) on plan assets		
	Employee Attrition Rate (Past Service (PS))	PS: 0 to 5 : 10% PS: 5 to 40: 3%	PS: 0 to 5 : 10% PS: 5 to 40: 3%
	Expected average remaining services	12.13	12.59
II	Changes in present value of obligations		
	PVO at beginning of period	106,75,125	94,10,089
	Interest cost	7,82,621	6,22,298
	Current Service Cost	14,16,205	13,78,621
	Past Service Cost - (non vested benefits)	-	13,282
	Past Service Cost - (vested benefits)	-	19,48,499
	Benefits Paid	(1,98,318)	(2,16,347)
	Actuarial (Gain)/Loss on obligation	(5,26,160)	(24,81,317)
	PVO at end of period	121,49,473	106,75,125
III	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of period	-	-
	Expected Return on Plan Assets	-	-
	Contributions	1,98,318	2,16,347
	Benefit Paid	(1,98,318)	(2,16,347)
	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	1,98,318	2,16,347



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CREST FINSERV LIMITED
Formerly known as Tullett Prebon (India) Limited & Prebon Yamane (India) Limited
CIN - U65990MH1995PLC091626
Notes forming part of the financial statements

	Benefit Paid		(1,98,318)		(2,16,347)
	Fair Value of Plan Assets at end of Period		-		-
	Funded Status (including unrecognised past service cost)		(121,49,473)		(106,75,125)
	Excess of actual over estimated return on Plan Assets		-		-
V	Experience History		31-Mar-19		31-Mar-18
	(Gain)/Loss on obligation due to change in Assumption		(2,82,354)		(30,41,394)
	Experience (Gain)/Loss on obligation		(2,43,806)		5,60,077
	Actuarial Gain/(Loss) on plan assets		-		-
VI	Actuarial Gain/ (Loss) Recognized				
	Actuarial Gain/(Loss) for the period (Obligation)		5,26,160		24,81,317
	Actuarial Gain/(Loss) for the period (Plan Assets)		-		-
	Total Gain/(Loss) for the period		5,26,160		24,81,317
	Actuarial Gain/(Loss) recognized for the period		5,26,160		(24,81,317)
	Unrecognzled Actuarial Gain/(Loss) at end of Period		-		-
VII	Past Service Cost Recognised				
	Past Service Cost - (non vested benefits)		-		13,282
	Past Service Cost - (vested benefits)		-		19,48,499
	Average remaining future service till vesting of the benefit		1		1
	Recognised Past service Cost-non vested benefits		-		13,282
	Recognised Past service Cost- vested benefits		-		19,48,499
	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		121,49,473		106,75,125
	Fair Value of Plan Assets at end of period		-		-
	Funded Status		(121,49,473)		(106,75,125)
	Unrecognized Actuarial Gains/(Loss)		-		-
	Unrecognised Past Service Cost-non vested benefits		-		-
	Net Asset/(Liability) recognized In the balance sheet		(121,49,473)		(106,75,125)
IX	Expense recognized in the statement of P&L A/C				
	Current Service Cost		14,16,205		13,78,621
	Interest cost		7,82,621		6,22,298
	Past Service Cost - (non vested benefits)		-		13,282
	Past Service Cost - (vested benefits)		-		19,48,499
	Unrecognised Past Service Cost-non vested benefits		-		-
	Expected Return on Plan Assets		-		-
	Net Actuarial (Gain)/Loss recognized for the period		(5,26,160)		(24,81,317)
	Expense recognized In the statement of P & L A/C		16,72,666		14,81,383
X	Movements in the Liability recognized in Balance Sheet				
	Opening Net Liability		106,75,125		94,10,089
	Adjustment to Opening balance		-		-
	Expenses as above		16,72,666		14,81,383
	Benefits paid		(1,98,318)		(2,16,347)
	Closing Net Liability		121,49,473		106,75,125
XI	Revised Schedule VI				
	Current Liability		7,65,295		7,70,634
	Non-Current Liability		113,84,178		99,04,491
XII	Projected Service Cost 31 Mar 2019		16,46,680		-
XIII	Asset Information				
	Cash and Cash Equivalents		-		-
	Gratuity Fund ()		-		-
	Debt Security - Government Bond		-		-
	Equity Securities - Corporate debt securities		-		-
	Other Insurance Contracts		-		-
	Property		-		-
	Total Itemized Assets		-		-

Gratuity Experience History	31-03-2019	31-03-2018	31-03-2017	31-03-2016	31-03-2015
(Gain)/Loss on obligation due to change in Assumption	(2,82,354)	(30,41,394)	9,74,237	(13,18,671)	14,26,937
Experience (Gain)/Loss on obligation	(2,43,806)	5,60,077	(68,086)	(12,76,037)	(9,88,041)



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31. 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 4.64 Cr. 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 in the previous year.

The Company had filed an appeal with SAT for the aforesaid dispute and has received the order of Hon'ble Securities Appellate Tribunal dated March 28, 2019 asking to deposit Rs.0.10 cr as final settlement. The said amount is deposited by the Company on April 3, 2019. Accordingly, the excess provision of Rs.0.29 cr has been reversed during the year thereby retaining provision of Rs.0.10 cr in the books of accounts.

32. 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:- Nil

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as of balance sheet date in respect of trade payables NIL (Previous year USD 5,250 ₹2,90,227/) and receivables of USD NIL (Previous year NIL).

33. 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
Place : Mumbai
Date : May 14, 2019


Navroze Talati
DIN - 3486070
Wholetime Director
Place : Mumbai
Date : May 14, 2019


Unnati Upadhyay
Company Secretary
Place : Mumbai
Date : May 14, 2019

