

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 Financial Statements of **CREST FINSERV LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity 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.

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 Board 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 on the other information that we obtained prior to the date of this auditor's report, 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.



Responsibilities of the Management 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 including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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.

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

Auditor's Responsibilities for the audit of the Financial Statements

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, 2020 ("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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act;



- e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to these Financial Statements 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 with reference to these Financial Statements;
- 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 litigations which would impact on its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) Management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



(c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593



Ashutosh Jethlia
Partner
Membership No. 136007
UDIN:- 22136007AJPWZN6957



Place- Mumbai
Date: 25th May, 2022

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF CREST FINSERV LIMITED

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i) In respect of its Property, Plant and Equipment:-
- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
- (B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) As the Company has no immovable properties during the year, the requirement of clause (i) (c) of Paragraph 3 of the Order is not applicable.
- (d) According to information and explanations given to us and books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As the Company has no immovable properties during the year, the requirement of clause (i) (e) of Paragraph 3 of the Order is not applicable.
- ii) (a) As the Company does not have Inventories during the year, clause (ii) (a) of paragraph 3 of the Order is not applicable to the Company.
- (b) The Company has not availed any working capital limits from banks or financial institutions during the year on the basis of security of current assets. Consequently, the requirement of clause (ii) (b) of paragraph 3 of the Order is not applicable to the Company.
- iii) With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:-
- a) As per the information and explanations given to us and books of accounts and records examined by us, during the year, the Company has not provided any guarantee or security and has not granted any advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other entities. With respect to loans granted during the year:
- i. Loan of Rs. 2,475.00 Lakhs has been granted to three Companies and balance outstanding at balance sheet date with respect to such loans is Rs. 2,475.00 Lakhs.



- b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the terms and conditions of all loans made by the Company are not prejudicial to the Company's interest. The Company has not made any investments and not provided any guarantees or given security and has not granted any advances in the nature of loans during the year.
- c) According to the books of accounts and records examined by us in respect of the loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are regular except few cases as disclosed below:-

Name of the Entity	Nature	Amount (Rs. In Lakhs)	Due Date	Extent of Delay	Remarks, if any
Kalpataru Properties	Interest	26.51	7 th of Every Month	In the range of 1-60 days	-
Thane Private Limited	Interest	33.73	8 th of Every Month	In the range of 1-120 days	-
Priyanka Finance Private Limited	Interest	9.57	7 th of Every Month	In the range of 1-4 days	-
Brijwasi Securities Private Limited	Interest	43.10	8 th September, 2021	1 day	-
	Interest	42.31	10 th March, 2022	21 days	-
Ananta Landmarks Private Limited	Interest	6.24	8 th May, 2021	31 days	-

- d) In respect of the said loans and interest thereon, there are no overdue amounts.
- e) In our opinion and according to information and explanation given and books of accounts and records examined by us, loans granted which has fallen due during the year has not been renewed or extended or no fresh loans has been granted to settle the over dues of existing loans given to the same parties.
- f) In our opinion and according to information and explanation given and records examined by us, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.
- iv) The Company has not directly or indirectly advanced loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. The Company has complied with the provisions of the Section 186 of the Act, in respect of investments, loans, guarantee or security given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits and there are no amounts which are deemed to be deposit, within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.



- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- 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, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of 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, which have not been deposited as on March 31, 2022 on account of any dispute.
- viii) According to the information and explanations given to us, there are no transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Consequently, the requirement of clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) (a) According to the information and explanations given to us, the Company has not raised any loan or other borrowings; hence clause (ix) (a) of paragraph 3 of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, the Company has not raised money by way of term loan.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) As the Company has no subsidiaries, associates or joint ventures, hence clause (ix) (e) and (ix) (f) of paragraph 3 of the Order is not applicable to the Company.
- x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.
- (b) 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 convertible debentures (fully, partially or optionally convertible) during the year.



- xi) (a) 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 has been noticed or reported during the year.
- (b) In our opinion and according to the information and explanations given to us and as represented to us by the Management, there are no reports under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- 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) (a) In our opinion and according to the information and explanations given to us, Section 177 of the Act is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, Company is in compliance with the Section 188 of the Companies Act, 2013 and requisite details have been disclosed in the financial statements.
- xiv) In our opinion and based on our examination, the Company doesn't have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013. Consequently, the provisions of clause (xiv) (a) to (xiv) (b) of paragraph 3 of the Order are 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) (a) 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 Act, 1934.
- (b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.
- (c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.



- xvii) The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) In our opinion and according to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company; hence clause 3 (xx) (a) and 3 (xx) (b) are not applicable to the Company.

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593


Ashutosh Jethlia

Partner
Membership No. 136007
UDIN:- 22136007AJPWZN6957



Place- Mumbai
Date: 25th May, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF CREST FINSERV 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 controls over financial reporting of **CREST FINSERV LIMITED** ("the Company") as of March 31, 2022 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 (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 with reference to these Financial Statements 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 with reference to these Financial Statements 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 with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Financial Statements, 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 with reference to these Financial Statements.



Meaning of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

A Company's internal financial control over financial reporting with reference to these Financial Statements 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 with reference to these Financial Statements 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 With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Financial Statements, 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 with reference to these Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Financial Statements 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2022, 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 ICAI.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Registration No. 107783W/W100593



Ashutosh Jethlia

Partner

Membership No. 136007

UDIN:- 22136007AJPWZN6957



Place- Mumbai

Date: 25th May, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022


(₹ in Lakhs)

Particulars	Notes	As at	
		31st March, 2022	31st March, 2021
(A) ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	168.96	78.94
(b) Intangible assets	4	10.10	8.51
		179.06	87.45
(c) Financial assets			
i) Loans	5 (A)	-	3.73
ii) Other bank balances	11 (A)	105.06	102.68
(d) Deferred tax assets (net)	6	54.03	55.04
(e) Income tax assets (net)	7	158.90	184.97
(f) Other non current assets	8 (A)	19.43	21.25
		337.42	367.67
Sub-total non-current assets		516.48	455.12
2 Current assets			
(a) Financial assets			
i) Trade receivables	9	227.55	247.44
ii) Cash and cash equivalents	10	113.01	340.62
iii) Bank balances other than (ii) above	11 (B)	0.96	1.00
iv) Loans	5 (B)	2,479.77	1,808.36
(b) Other current assets	8 (B)	154.34	176.00
Sub-total current assets		2,975.63	2,573.42
TOTAL ASSETS		3,492.11	3,028.54
(A) EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	294.83	294.83
(b) Other equity	13	2,655.13	2,246.99
Equity attributable to owners of the Company		2,949.96	2,541.82
(B) LIABILITIES			
1 Non current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	14 (A)	61.57	-
(b) Provisions	15 (A)	156.83	162.43
Sub-total non-current liabilities		218.40	162.43
2 Current liabilities			
(a) Financial liabilities			
i) Trade payables	16		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		0.12	0.12
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		17.46	24.98
ii) Lease liabilities	14 (B)	75.55	50.43
(b) Provisions	15 (B)	26.51	31.03
(c) Current tax liabilities (net)	17	48.04	59.41
(d) Other current liabilities	18	156.07	158.32
Sub-total current liabilities		323.75	324.29
TOTAL EQUITY AND LIABILITIES		3,492.11	3,028.54

The accompanying notes 1 to 37 form integral part of the financial statements.

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)

For and on behalf of the Board of Directors


Ashutosh Jethlia
Partner
Membership No.: 136007


Sheetal Kapadia
DIN - 3317767
Wholetime Director


Ketan Dalal
DIN - 8868842
Wholetime Director

Place : Mumbai
Date : 25 May, 2022



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CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended 31st March, 2022	Year Ended 31st March, 2021
1 Revenue from operations	19	2,077.82	2,131.13
2 Other income	20	287.73	223.58
Total revenue		2,365.55	2,354.72
3 Expenses			
(a) Employee benefits expense	21	1,138.82	1,254.68
(b) Administration and other expenses	22	591.98	569.59
(c) Brokerage expenses		5.93	40.26
(d) Finance costs	23	6.38	9.17
(e) Depreciation and amortisation expense	24	96.24	92.83
Total expenses		1,839.35	1,966.53
4 Profit before tax		526.20	388.18
5 Tax expense			
(a) Current tax		134.00	100.00
(b) Net tax expense		134.00	100.00
(c) Deferred tax charge		(3.25)	5.89
Net tax expense	26	130.75	105.89
6 Profit after tax		395.45	282.29
7 Other Comprehensive income			
A) i) Items that will not be reclassified to profit or loss - Defined employee benefits		16.95	(18.59)
ii) Income tax relating to items that will not be reclassified to profit or loss		(4.27)	4.68
B) i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive income		12.69	(13.91)
8 Total Comprehensive income for the year (6+7)		408.14	268.38
9 Earnings per equity share of ₹10/- each: - Basic and diluted (₹)	27	13.41	9.57

The accompanying notes 1 to 37 form integral part of the financial statements.

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)



Ashutosh Jethlia
Partner
Membership No.: 136007

Place : Mumbai
Date : 25 May, 2022



For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767
Wholetime Director


Ketan Dalal
DIN - 8868842
Wholetime Director


CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

CASH FLOW STATEMENT FOR YEAR ENDED ON 31ST MARCH, 2022

(₹ In Lakhs)

Sr. No. Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A CASHFLOW FROM OPERATING ACTIVITIES		
Net profit before tax	526.20	388.18
Adjustment for:		
Depreciation and amortisation	96.24	92.83
Profit on sale of fixed assets (net)	-	-
Interest income	(265.06)	(222.69)
Debit balances written off	4.81	3.52
Income from mutual fund investments	-	(0.54)
Credit balances written back	(1.06)	(0.36)
Interest on income tax refund	(21.61)	-
Provision for expected credit loss	1.77	(3.08)
Provision for gratuity	33.54	32.02
Provision for compensated leave absences	(6.27)	11.76
Interest on lease liabilities	6.25	7.39
Operating profit before working capital changes	374.81	309.04
Adjustments for:		
(Increase) / decrease in other non-current assets	1.82	0.63
(Increase) / decrease in other current assets	16.08	(19.56)
(Increase) / decrease trade receivables	14.37	68.13
Increase / (decrease) trade payables	(7.53)	(0.78)
Increase / (decrease) other provisions	(20.44)	(41.80)
Increase / (decrease) other current liabilities	(2.25)	26.83
	2.05	33.46
Cash used in operations	376.86	342.49
Direct taxes paid (net of refunds)	(97.68)	(84.48)
NET CASH USED IN OPERATING ACTIVITIES	279.18	258.02
B CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(17.69)	(5.55)
Purchase of intangible asset	(5.25)	-
Proceeds from sale of property, plant and equipment	0.01	-
Purchase of current investments	-	(400.00)
Proceeds from sale of current investments	-	400.54
Inter corporate deposits given	(1,175.00)	(1,800.00)
Inter corporate deposits returned	500.00	1,550.00
Interest received	270.63	224.80
Movement in other loans	7.32	1.74
Bank balance not considered as cash & cash equivalents	(2.33)	(5.88)
NET CASH GENERATED FROM INVESTING ACTIVITIES	(422.31)	(34.36)
C CASHFLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(84.48)	(83.79)
NET CASH GENERATED FROM FINANCING ACTIVITIES	(84.48)	(83.79)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(227.61)	139.88
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	340.62	200.74
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	113.01	340.62

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)


Ashutosh Jethlia
Partner
Membership No.: 136007

Place: Mumbai
Date : 25 May, 2022



For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767
Wholetime Director


Ketan Dalal
DIN - 8868842
Wholetime Director

CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2022

(₹ in Lakhs)		(₹ in Lakhs)	
A. Equity share capital		B. Other equity	
Balance as at April 01, 2021	Change in equity share capital during the year	Balance as at April 01, 2021	Balance as at March 31, 2021
294.83	-	294.83	294.83
Balance as at April 01, 2020	Change in equity share capital during the year	Balance as at April 01, 2020	Balance as at March 31, 2021
294.83	-	294.83	294.83
A. Equity share capital		B. Other equity	
Particulars	Reserves and Surplus	Other Items Of Other Comprehensive Income	Total
	General Reserve	Remeasurement of Post Employment Benefit Obligations	
Balance as at 31st March, 2021	2,184.78	(22.94)	2,246.99
Profit for the year	395.45	-	395.45
Other comprehensive income (net of tax)	-	12.69	12.69
Total comprehensive income for the year	395.45	12.69	408.14
Balance as at 31st March, 2022	2,580.23	(10.25)	2,655.13
Balance as at 1st April, 2020	1,902.48	(9.03)	1,978.61
Profit for the year	282.29	-	282.29
Other comprehensive income (net of tax)	-	(13.91)	(13.91)
Total comprehensive income for the year	282.29	(13.91)	268.38
Balance as at 31st March, 2021	2,184.78	(22.94)	2,246.99

The accompanying notes 1 to 37 form integral part of the financial statements.

As per our report of even date

For Pathak H. D. & Associates LLP

Chartered Accountants

(Firm Registration No. 107783W/W100593)


Ashutosh Jethlia

Partner

Membership No.: 136007

Place: Mumbai

Date : 25 May, 2022

For and on behalf of the Board of Directors



Sheetal Kapadia

DIN - 3317767

Wholetime Director



Ketan Dalal

DIN - 8868842

Wholetime Director



CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

1. Corporate information

Crest Finserv Limited ("CFL" or "the Company") is a public unlisted limited company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at 4th Floor, Kalpataru Heritage, 127 M G Road, Fort, Mumbai 400 001, Maharashtra, India. The Company is a wholly owned subsidiary of Crest Ventures Limited, a Non Banking Financial Company registered with the Reserve Bank of India and listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

CFL 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 is also a well known player and a leading funds mobilizer for large Mutual Funds for their various schemes and actively services large institutional investors, corporate clients and high net worth individuals through its compact and skilled AMFI certified sales team.

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. 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.

2. Significant accounting policies

2.1 Statement of compliance

These financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of Companies Act, 2013. The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

2.2 Basis of preparation

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 (as amended from time to time) and presentations requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended time to time.

The financial statements have been prepared on accrual basis of accounting using historical cost basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company considers 12 months to be its normal operating cycle.



CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Lakhs (₹00,000), except when otherwise indicated. Amount in zero (0.00) represents amount below ₹1,00,000/-.

2.3 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

2.4 Property, plant and equipment

(a) Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

(b) Capital work in progress and capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Financial Assets.

(c) Depreciation, estimated useful lives and residual value:

Depreciation on each part of an item of property, plant and equipment is provided to the extent of depreciable amount on the Straight Line Method (SLM) based on the useful life of the asset as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(d) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2.5 Intangible assets

(a) Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

(b) Amortization, estimated useful lives and residual value:

Intangible Assets with finite lives are amortized on a written down value method over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Type of asset	Useful life
Purchase cost and user license fees for computer softwares	5 Years

(c) Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

2.6 Financial instruments

(a) Financial assets

(i) Initial recognition and measurement:

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(ii) Subsequent measurement:

- Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through other comprehensive income (FVTOCI)



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CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on its trade receivables and Financial assets other than trade receivables. The Company follows the simplified approach required by Ind-AS 109 for recognition of impairment loss allowance, which requires lifetime ECL to be recognised at each reporting date.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. In case of assets other than trade receivables, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has increased significantly only then the company measured ECL and recognised the loss allowance.

(b) Financial liabilities

(i) Initial recognition and measurement:

The Company recognizes a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(c) Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Indian Accounting Standard (Ind AS) 109 "Financial Instruments". A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.7 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and revenue can be reliably measured, regardless of when the payment is being made.

Revenue, which excludes indirect taxes, includes brokerage including commissions, fees earned and subscriptions for information sales. Fee income is recognised when the related services are completed and the income is considered receivable.



CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

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.

Interest income is accounted at effective interest rate (EIR). The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders or Board of Directors approve the dividend.

2.8 Foreign currency transactions

(a) Initial recognition:

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.

(b) Measurement of foreign currency items at reporting date:

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. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

2.9 Employee benefits

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

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

(c) Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

2.10 Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.



CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.11 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.

2.12 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 recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

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. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

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.

Current tax and deferred tax relate to items that are recognised in other comprehensive income or directly in equity are recognised in other comprehensive income or directly in equity, respectively.



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CREST FINSERV LIMITED
[CIN - U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

2.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised in the balance sheet when the Company has a present obligation as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Contingent liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are not recognised in the financial statements.

2.14 Impairment of non-financial assets

The carrying amounts of the Company's property, plant & equipment and intangible assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which impairment takes place. Recoverable amount is the higher of fair value less costs of disposal and value in use.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.16 Standards issued but not effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- Ind AS 101 – First time adoption of Ind AS
- Ind AS 103 – Business Combination
- Ind AS 109 – Financial Instrument
- Ind AS 16 – Property, Plant and Equipment
- Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statements.



A handwritten signature in blue ink, appearing to be 'P. Pathak'.

CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022
NOTE NO. 3 & 4

(₹ in Lakhs)

3 Property, plant and equipment		Leasehold improvements	Furniture & fixtures	Office equipments	Computers	Right for use asset	Total	Total
Particulars								
Gross Block:								
As at 31st March, 2021		21.87	21.33	39.30	104.70	164.23	351.43	3,51,42,919
Additions during the year		-	-	0.87	17.51	164.23	182.61	1,82,60,680
Disposals/ Adjustments during the year		-	-	-	0.69	164.23	164.92	1,64,91,968
As at 31st March, 2022		21.87	21.33	40.17	121.52	164.23	369.12	3,69,11,631
Accumulated Depreciation:								
As at 31st March, 2021		21.87	17.28	26.96	89.86	116.52	272.49	2,72,48,521
Additions during the year		-	0.76	3.93	11.18	76.71	92.59	92,58,479
Disposals/ Adjustments during the year		-	-	0.68	-	164.23	164.92	1,64,91,279
As at 31st March, 2022		21.87	18.04	30.20	101.04	29.00	200.16	2,00,15,721
Net Block as at 31st March, 2022		-	3.29	9.96	20.48	135.23	168.96	1,68,95,911
Net Block as at 31st March, 2021		-	4.05	12.34	14.84	47.71	78.94	78,94,397

4 Intangible assets		Goodwill/ Know How	Software	Total
Particulars				
Gross Block:				
As at 31st March, 2021		125.00	14.18	139.18
Additions during the year		-	5.25	5.25
Disposals/ Adjustments during the year		-	-	-
As at 31st March, 2022		125.00	19.43	144.43
Accumulated Depreciation:				
As at 31st March, 2021		125.00	5.67	130.67
Additions during the year		-	3.65	3.65
Disposals/ Adjustments during the year		-	-	-
As at 31st March, 2022		125.00	9.32	134.32
Net Block as at 31st March, 2022		-	10.10	10.10
Net Block as at 31st March, 2021		-	8.50	8.51

CREST FINSERV LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	As at 31st March, 2022	As at 31st March, 2021
(₹ in Lakhs)		
5 Loans		
(A) Non-current		
(a) Loans to employees	-	3.73
Total (A)	<u>-</u>	<u>3.73</u>
(B) Current		
(a) Loans and advances to employees	4.77	8.36
(b) Inter corporate deposits (refer note 28)	2,475.00	1,800.00
Total (B)	<u>2,479.77</u>	<u>1,808.36</u>
Total (A+B)	<u>2,479.77</u>	<u>1,812.09</u>
6 Deferred tax assets (net)		
(a) Deferred tax liability		
(i) Movement in fair value of financial assets designated at fair value through profit or loss	-	-
(ii) On temporary difference	0.47	0.68
Gross deferred tax liabilities	<u>0.47</u>	<u>0.68</u>
(b) Deferred tax assets		
(i) Depreciation and amortisation	6.69	5.81
(ii) Employee benefits	46.14	48.69
(iii) Provision for doubtful debt	1.67	1.22
Gross deferred tax assets	<u>54.50</u>	<u>55.72</u>
Total	<u>54.03</u>	<u>55.04</u>
7 Income tax assets (net)		
Advance tax (net of provisions)	158.90	184.97
Total	<u>158.90</u>	<u>184.97</u>
8 Other assets		
(A) Non-current		
(a) Prepaid expenses	2.00	0.07
(b) Security deposits	17.43	21.18
Total (A)	<u>19.43</u>	<u>21.25</u>
(B) Current		
Other current assets		
(a) Interest accrued on deposits	16.15	21.73
(b) Prepaid expenses	20.36	15.10
(c) Balances with Government authorities	3.77	6.23
(d) Other loans and advances	1.97	3.21
(e) Others	112.09	129.73
Total (B)	<u>154.34</u>	<u>176.00</u>
Total (A+B)	<u>173.77</u>	<u>197.25</u>



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CREST FINSERV LIMITED
[CIN-U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
9 Trade receivables		
(Unsecured, considered good)		
Trade receivables	234.17	252.29
Less: Allowance for bad and doubtful debts	6.62	4.84
Total	227.55	247.44

Trade Receivable ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	230.81	2.54	0.75	0.06		234.17
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						-
(iv) Disputed Trade receivables – considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired						-
Total	230.81	2.54	0.75	0.06	-	234.17
(i) Undisputed Trade receivables – considered good	250.41	1.47	0.06	0.35		252.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						-
(iv) Disputed Trade receivables – considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired						-
Total	-	-	-	-	-	-

10 Cash and cash equivalents

(As per Ind AS 7 Cash Flow Statements)

(a) Cash on hand	0.38	0.67
(b) Stamps on hand	0.47	0.59
(c) Balances with banks		
(i) In current accounts	112.16	339.36
Total	113.01	340.62

11 Bank Balances other than cash and cash equivalents

(A) Non-current

(a) Accruals		
(i) Interest accrued on deposits	0.36	1.76
(b) Earmarked bank deposits (Refer note below)		
Deposit accounts-original maturity of more than 1 year		
(i) Under lien with The Foreign Exchange Dealers' Association of India	86.94	83.17
(ii) Under lien with Fixed Income Money Market & Derivatives Asso.	17.75	17.75
Total (A)	105.06	102.68



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CREST FINSERV LIMITED
[CIN-U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(B) Current		
(a) Other bank balances in earmarked account		
(i) Exchange dues account	0.96	1.00
Total (B)	0.96	1.00
Total (A+B)	106.02	103.68

12 Equity share capital

Authorised share capital

1,00,00,000 Equity shares of ₹10/- each 1,000.00 1,000.00

Issued, subscribed and fully paid-up shares

29,48,333 Equity shares of ₹10/- each fully paid up 294.83 294.83

Total **294.83** **294.83**

Notes:

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

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
As at 31st March, 2022		
- Number of shares	29,48,333	29,48,333.00
- Amount (₹ in Lacs)	294.83	294.83
As at 31st March, 2021		
- Number of shares	29,48,333	29,48,333
- Amount (₹ in Lacs)	294.83	294.83

(ii) Rights, preferences and restrictions attached to shares:

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

Disclosure of Shareholding of promoters

Disclosure of Shareholding of promoters as at 31st March, 2022 is as follows:

Name of Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of Shares	Percentage of shares hold	No. of Shares	Percentage of shares hold	
Crest Ventures Limited*	29,48,333	100%	29,48,333	100%	-

Disclosure of Shareholding of promoters as at 31st March, 2021 is as follows:

Name of Promoter	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of Shares	Percentage of shares hold	No. of Shares	Percentage of shares hold	
Crest Ventures Limited*	29,48,333	100%	29,48,333	100%	-

* Out of the total shares held, 6 shares of the Company are held by Crest Ventures Limited through 6 nominees for the purpose of compliance with applicable provisions of Companies Act, 2013.



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CREST FINSERV LIMITED
[CIN-U65990MH1995PLC091626]

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	As at 31st March, 2022	As at 31st March, 2021
(₹ in Lakhs)		
13 Other equity		
(a) General reserve		
Opening balance	85.15	85.15
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	<u>85.15</u>	<u>85.15</u>
(b) Retained earnings		
Surplus in Statement of Profit and Loss		
Opening balance	2,184.78	1,902.48
Add: Profit / (Loss) for the year	395.45	282.29
Closing balance	<u>2,580.23</u>	<u>2,184.77</u>
(c) Other items of other comprehensive income		
Opening balance	(22.94)	(9.03)
Add: Profit / (Loss) for the year	12.69	(13.91)
Closing balance	<u>(10.25)</u>	<u>(22.94)</u>
Total	<u><u>2,655.13</u></u>	<u><u>2,246.98</u></u>
Nature and purpose of reserves		
General reserve:		
The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956.		
Retained earnings:		
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.		
14 Lease liability		
(A) Non-current		
Lease liability	61.57	-
Total (A)	<u>61.57</u>	<u>-</u>
(B) Current		
Lease liability	75.55	50.43
Total (B)	<u>75.55</u>	<u>50.43</u>
Total (A+B)	<u><u>137.12</u></u>	<u><u>50.43</u></u>
15 Provisions		
(A) Non-current		
(a) Provision for employee benefits		
(i) Provision for gratuity	156.83	162.43
Total (A)	<u>156.83</u>	<u>162.43</u>
(B) Current		
(a) Provision for employee benefits		
(i) Provision for compensated absences	16.76	23.03
(ii) Provision for gratuity	9.75	8.00
Total (B)	<u>26.51</u>	<u>31.03</u>
16 Trade payables		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	0.12	0.12
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
(i) Other than acceptances	17.46	24.98
Total	<u><u>17.58</u></u>	<u><u>25.10</u></u>



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In Lakhs)

As at **As at**
31st March, 2022 **31st March, 2021**

c) 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, 2022. The above information, regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.

d) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under:

	As at 31st March, 2022	As at 31st March, 2021
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act):		
- Principal amount due to micro and small enterprises	0.12	0.11
- Interest due on above	-	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without Medium Enterprises Act, 2006	-	-
iv) Interest accrued and remaining unpaid	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

(₹ In Lakhs)

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				
	<1 year	1-2 years	2-3 years	> 3 years	Total
March 31, 2022					
MSME	0.12	-	-	-	0.12
Other than MSME	17.46	-	-	-	17.46
Total	17.58	-	-	-	17.58
March 31, 2021					
MSME	0.11	-	-	-	0.11
Other than MSME	24.03	-	0.95	-	24.98
Total	24.14	-	0.95	-	25.09

17 Current tax liabilities (net)

(i) Provision for tax (net of advance tax)	48.04	59.41
Total	48.04	59.41

18 Other current liabilities

Other payables

(a) Advance from customers	3.91	0.12
(b) Statutory remittances	40.20	44.44
(c) Others	11.73	13.76
(d) Bonus payable	100.00	100.00
(e) Salaries Payable	0.23	-
Total	156.07	158.32



P. Pathak

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
19 Revenue from operations		
(a) Sale of services (Brokerage)	1,984.29	2,037.57
(b) Other operating income (Information & services)	93.53	93.56
Total	2,077.82	2,131.13
20 Other income		
(a) Interest income		
(i) Interest from bank on deposits	5.38	11.40
(ii) Interest on financial assets carried at amortised cost	259.18	210.68
(iii) Interest on income tax refunds	21.61	-
(iv) Interest on staff loan	0.50	0.61
(v) Income from mutual fund investments	-	0.54
(vi) Credit balances written-back	1.06	0.36
Total	287.73	223.58
21 Employee benefits expenses		
(a) Salaries, allowances and bonus	1,041.10	1,154.68
(b) Contributions to provident and other funds	42.54	49.81
(c) Provision for gratuity	33.54	32.02
(d) Staff welfare expenses	21.64	18.17
Total	1,138.82	1,254.68
22 Administration and other expenses		
(a) Provision for expected credit loss – Trade receivables	1.77	0.45
(b) Debit balances written-off	4.81	-
(c) Business promotion expenses	18.73	14.00
(d) Commission	-	4.00
(e) Communication expenses	27.46	28.79
(f) Directors sitting fees	1.00	1.20
(g) Donations	-	1.25
(h) Electricity expenses	8.16	7.41
(i) Entertainment expenses	16.50	1.43
(j) Insurance	0.13	0.09
(k) Net loss on foreign currency transaction	0.69	1.85
(l) Other expenses	40.42	45.07
(m) Payments to auditors (Refer note (i) below)	7.00	7.00
(n) Professional fees	355.95	285.47
(o) Rates and taxes	3.94	4.15
(p) Repairs and maintenance	11.77	10.24
(q) Sebi turnover fees	3.78	2.73
(r) Stamp duty	0.12	66.36
(s) Subscription	89.75	88.10
Total	591.98	569.59
Notes:		
(i) Payments to the auditors (net of service tax input credit, where applicable):		
As auditors - statutory audit	7.00	7.00
Total	7.00	7.00
23 Finance costs		
(a) Interest on delayed payment of Tax Deducted at Source/GST	0.13	1.75
(b) Interest on lease liabilities	6.25	7.39
(c) Interest - others	-	0.03
Total	6.38	9.17



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
24 Depreciation and amortisation expense		
(a) Depreciation on property, plant and equipment	34.80	14.97
(b) Amortisation of intangible assets	3.65	1.18
(c) Amortisation of right for use assets	57.78	76.68
Total	96.23	92.83
25 Foreign currency transactions		
(a) Expenditure incurred		
(i) Subscription	15.47	15.47
Total	15.47	15.47
(b) Income earned		
(i) Information and services	93.53	93.56
Total	93.53	93.56
26 Tax expense		
(a) Amounts recognised in profit and loss		
Current tax on profits for the year	134.00	100.00
Deferred tax for the year	(3.25)	5.89
Total tax expense for current year	130.75	105.89
(b) Reconciliation of tax expenses and the accounting profit multiplied by statutory tax rate		
Profit before tax	526.20	388.18
Income tax rate	25.17%	25.17%
Income tax expenses	132.43	97.70
Adjustment For:		
<i>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</i>		
Expenses disallowed under section 37	0.03	0.75
Others (due to change in rate for deferred taxes)	(1.72)	7.44
Total tax expense for current year	130.75	105.89
Effective income tax rate	24.85%	27.28%
27 Earnings per share (EPS) :		
Profit after tax for equity shareholders	395.45	282.29
Weighted average number of equity shares	29.48	29.48
Basic / Diluted earnings per share of ₹10/- each	13.41	9.57

28 Additional information as required under Section 186 (4) of Companies Act, 2013 for the year ended

(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	₹ in Lakhs	Purpose
Brijwasi Securities Private Limited	1,300.00	General Corporate
Kalpataru Propoerties Thane Pvt. Ltd.	525.00	General Corporate
Priyanka Finance Pvt. Ltd.	650.00	General Corporate

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

29 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 which is considered as a single business segment. Accordingly segment information as required under Indian Accounting Standard 108 "Operating Segments" is not applicable to the Company.



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CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

30. Disclosure in respect of related parties transactions as required by the Indian Accounting Standard 24 "Related Party Disclosures":

A. Details of related parties

Sr. No.	Name of related parties	Description of relationship
A. Names of related parties where control exist / under common control :		
1	Crest Ventures Limited	Holding Company
2	Fine Estates Private Limited	Ultimate Holding Company
3	Crest Capital and Investment Private Limited	Fellow Subsidiary
B. Others with whom transactions have taken place :		
1	Surbhi Investments & Trading Company Private Limited (upto August 5, 2021)	Entity controlled by Individual having Control over the Entity
2	Associated Luggage Company Private Limited	Entity controlled by relative of Individual having Control over the Entity
C. Key Managerial Personnel :		
1	Ms. Sheetal Kapadia	Whole Time Director
2	Mr. Ketan Dalal	Whole Time Director

Note: Related parties have been identified by the management.

(B) Details of related party transactions during the year and outstanding balance at the year end:

Nature of Transactions	Ultimate Holding Company	Entity controlled by Individual Having Control / Relative of Individual Having Control	Key Management Personnel	
				(₹ in Lakhs)
Remuneration				
Ms. Sheetal Kapadia			85.00	(86.00)
Mr. Ketan Dalal			29.00	(14.70)
(Previous year w.e.f. 10-09-2020)			-	-
Mr. Navroze Talati			-	(110.49)
(Previous year upto 11-12-2020)				
Rent Expense				
Fine Estate Private Limited	67.89	-	-	-
	(67.89)	-	-	(-)
Associated Luggage Company Private Limited	-	15.90	-	-
	-	(15.90)	-	(-)
Brokerage Expenses				
Surbhi Investments & Trading Company Private Limited	-	5.93	-	-
	(-)	(40.26)	-	(-)
Balances outstanding as at the year end				
Brokerage Expenses-Payable				
Surbhi Investments & Trading Company Private Limited	-	(12.71)	-	-



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

31. 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 ₹38.36 Lacs [previous year ₹42.58 Lacs] has been charged to the Statement of Profit and Loss in this respect.

(ii) A sum of ₹6.27 Lacs (reversed) (previous year ₹11.76 Lacs) 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. Actuarial gains and losses assumptions in respect of post employment and other long term benefits are charged to the Other Comprehensive income in Statement of Profit and Loss in the year in which they occur. Gratuity scheme is not funded. However, provision as per IND AS-19 has been made in the financial statements.

The estimate of future salary increase considered, takes into account the inflation, seniority, promotion, increments and other relevant factors. The actuarial risks associated with the defined benefit plan are:

(i) Investment or Interest risk

Since the scheme is unfunded the Company is not exposed to Investment or Interest risk.

(ii) Longevity risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

(iii) Risk of salary increase

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the Company.

(₹ in Lakhs)

		GRATUITY (NON- FUNDED)	
I	Assumptions as at	31 March 2022	31 March 2021
	Mortality	IALM(2012-14) Ult.	IALM(2012-14) Ult.
	Interest/ Discount Rate	7.18%	6.68%
	Rate of increase in compensation	8.00%	8.00%
	Annual increase in healthcare costs		
	Future Changes in maximum state healthcare benefits		
	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	11.04	11.68
II	Changes in present value of obligations		
	PVO at beginning of period	170.43	161.62
	Interest cost	11.12	10.43
	Current Service Cost	22.43	21.58
	Past Service Cost - (non vested benefits)	-	-
	Past Service Cost - (vested benefits)	-	-
	Benefits Paid	(20.44)	(41.80)
	Actuarial (Gain)/Loss on obligation	(16.95)	18.59
	PVO at end of period	166.57	170.43
III	Interest Expenses		
	Interest cost	11.12	10.43
IV	Fair Value of Plan Assets		
	Fair Value of Plan Assets at the beginning	-	-
	Interest Income	-	-
V	Net Liability		
	PVO at beginning of period	170.43	161.62
	Fair Value of the Assets at beginning report	-	-
	Net Liability	170.43	161.62
VI	Net Interest		
	Interest Expenses	11.12	10.43
	Interest Income	-	-
	Net Interest	11.12	10.43
VII	Actual return on plan assets		
	Less Interest income included above	-	-
	Return on plan assets excluding interest income	-	-



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

VIII Actuarial (Gain)/loss on obligation					
Due to Demographic Assumption*		-		-	
Due to Financial Assumption		(8.52)		(1.13)	
Due to Experience		(8.44)		19.72	
Total Actuarial (Gain)/Loss		(16.95)		18.59	
* This figure does not reflect interrelationship between demographic assumption an financial assumption when a limit is applied on the benefit, the effect will be shown as an experience					
IX Fair Value of Plan Assets					
Opening Fair Value of Plan Asset		-		-	
Adjustment to Opening Fair Value of Plan Asset		-		-	
Return on Plan Assets excl. interest income		-		-	
Interest Income		-		-	
Contributions by Employer		20.44		41.80	
Contributions by Employee		-		-	
Benefit Paid		(20.44)		(41.80)	
Fair Value of Plan Assets at end of Period					
X Past Service Cost Recognised					
Past Service Cost - (non vested benefits)		-		-	
Past Service Cost - (vested benefits)		-		-	
Average remaining future service till vesting of the benefit		-		-	
Recognised Past service Cost-non vested benefits		-		-	
Recognised Past service Cost- vested benefits		-		-	
Unrecognised Past Service Cost-non vested benefits		-		-	
XI Amounts to be recognized in the balance sheet and statement of profit & loss account					
PVO at the end of period		166.57		170.43	
Fair Value of Plan Assets at end of period		-		-	
Funded Status		(166.57)		(170.43)	
Net Asset/(Liability) recognized in the balance sheet		(166.57)		(170.43)	
XII Expense recognized in the statement of P & L A/C					
Current Service Cost		22.43		21.58	
Interest cost		11.12		10.43	
Past Service Cost - (non vested benefits)		-		-	
Past Service Cost - (vested benefits)		-		-	
Curtailement Effect		-		-	
Settlement Effect		-		-	
Unrecognised Past Service Cost- non vested benefits		-		-	
Expense recognized in the statement of P & L A/C		33.54		32.02	
XIII Other Comprehensive Income (OCI)					
Actuarial (Gain)/Loss recognized for the period		(16.95)		18.59	
Asset limit effect		-		-	
Return on Plan Assets excluding net interest		-		-	
Unrecognized Actuarial (Gain)/Loss from previous period		-		-	
Total Actuarial (Gain)/Loss recognized in (OCI)		(16.95)		18.59	
XIV Movements in the Liability recognized in Balance Sheet					
Opening Net Liability		170.43		161.62	
Adjustment to Opening balance		-		-	
Expenses as above		33.54		32.02	
Benefits Paid By The Company		-		-	
Contribution paid		(20.44)		(41.80)	
Other Comprehensive Income(OCI)		(16.95)		18.59	
Closing Net Liability		166.57		170.43	
XV Schedule III of The Companies Act 2013					
Current Liability		9.75		8.00	
Non-Current Liability		156.83		162.43	
XVI Projected Service Cost 31st Mar 2022					18.22
XVII Asset Information		Total Amount		Target Allocation(%)	
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	31-03-2022	31-03-2021	31-03-2020	31-03-2019	31-03-2018
(Gain)/Loss on obligation due to change in Assumption	(8.52)	(1.13)	16.89	(2.82)	(30.41)
Experience (Gain)/Loss on obligation	(8.44)	19.72	1.01	(2.44)	5.60



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

32 Fair Value of Financial Assets and Liabilities:

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(₹ in Lakhs)

	As at 31st March, 2022					
	Carrying Value		Fair Value			
	Current	Non-Current	Level 1	Level 2	Level 3	Total
Financial assets						
At Amortised cost						
Cash and cash equivalents	113.01	-	-	-	-	-
Bank balance other than cash and cash equivalents	0.96	105.06	-	-	-	-
Receivables	227.55	-	-	-	-	-
Loans	2,479.77	-	-	-	-	-
Total	2,821.29	105.06	-	-	-	-
Financial liabilities						
At Amortised cost						
Trade payables	17.46	-	-	-	-	-
Lease liabilities	75.55	61.57	-	-	-	-
Total	93.01	61.57	-	-	-	-
	As at 31st March, 2021					
	Carrying Value		Fair Value			
	Current	Non-Current	Level 1	Level 2	Level 3	Total
Financial assets						
At Amortised cost						
Cash and cash equivalents	340.62	-	-	-	-	-
Bank balance other than cash and cash equivalents	1.00	102.68	-	-	-	-
Receivables	247.44	-	-	-	-	-
Loans	1,808.36	3.73	-	-	-	-
Total	2,397.42	106.41	-	-	-	-
Financial liabilities						
At Amortised cost						
Trade payables	17.46	-	-	-	-	-
Lease liabilities	75.55	-	-	-	-	-
Total	93.01	-	-	-	-	-

(b) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique. The Financial Instruments are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted value.

Level 2: Other Techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Assumptions to above:

(i) The management assessed that fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) Financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(iii) The fair valuation of unquoted mutual funds units is done based on NAV of units.

(iv) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

(c) Derivative financial instruments

Category-wise quantitative data about derivative instrument that are outstanding at the balance sheet date: - ₹NIL (previous year ₹NIL)

The purpose, viz., hedging or speculation, for which such derivative instrument have been acquired: - ₹NIL (previous year ₹NIL)



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as of balance sheet date in respect of trade payables US\$5408 ₹3.48 Lacs (previous year ₹NIL) and receivables of ₹NIL (previous year ₹NIL).

33 Financial risk management

The Company has exposure to the following risks arising from financial

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk (including currency risk and interest rate risk)

The Company has a Board approved risk management framework which not only covers the market risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. This framework is driven by the Board and the Risk Management Committee inter alia is responsible for identifying, reviewing, monitoring and taking measures for risk profile and for risk measurement system of the Company.

(a) Credit risk

Credit Risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans and other receivables.

Trade receivables

The Company extends credit to customers in normal course of business. All trade receivables are reviewed and assessed for default on a individual basis. Historical experience of collecting receivables of the Company is supported by low level of past default, hence the credit risk is perceived to be low. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. Credit risk arising from trade receivables are reviewed periodically.

Life time expected credit losses for trade receivables under simplified approach:

	As at 31st March, 2022	As at 31st March, 2021
		(₹ in Lakhs)
Within the credit period		
1-30 days past due	182.08	208.48
30-60 days past due	42.75	95.44
60-90 days past due	1.11	7.50
90-120 days past due	-	8.32
120-150 days past due	4.13	0.00
150-180 days past due	0.75	0.08
More than 180 days	4.22	3.77
Gross carrying value	235.04	323.57
Less: Expected credit loss (Impairment loss allowance)	6.62	4.84
Net Carrying value	228.42	318.73

Reconciliation of changes in the expected credit loss allowance:

	As at 31st March, 2022	As at 31st March, 2021
		(₹ in Lakhs)
Opening balance	2.10	2.10
Add / (Less) : Impairment loss allowance for the year	4.52	-
Closing balance	6.62	2.10

Cash and cash equivalents, bank balances and other financial assets

The Company maintains exposure in cash and cash equivalents and deposits with banks. Cash and cash equivalents and bank deposits are held with high rated banks / financial institutions and short term in nature, therefore credit risk is perceived to be low.

Short term, highly liquid investments in mutual fund units are carried at fair value through profit and loss and the Company does not have significant concentration of credit risk. The maximum exposure at the end of the reporting period is the carrying amount of these instruments ₹NIL (previous year ₹NIL)



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NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities.

(₹ in Lakhs)

As at 31st March, 2022	Carrying Value		0-1 year	1-3 years	3-5 years	More than 5 years
	Current	Non-Current				
Financial liabilities						
Trade payables	17.46	-	17.46	-	-	-
Lease liabilities	75.55	61.57	75.55	61.57	-	-
Total	93.01	61.57	93.01	61.57	-	-
Financial assets						
Cash and cash equivalents	113.01	-	113.01	-	-	-
Bank balances other than cash and cash equivalents	0.96	105.06	0.96	-	-	105.06
Trade receivables	227.55	-	227.55	-	-	-
Loans	2,479.77	-	2,479.77	-	-	-
Total	2,821.29	105.06	2,821.29	-	-	105.06
As at 31st March, 2021	Carrying Value		0-1 year	1-3 years	3-5 years	More than 5 years
	Current	Non-Current				
Financial liabilities						
Trade payables	17.46	-	17.46	-	-	-
Lease liabilities	75.55	-	75.55	-	-	-
Total	93.01	-	93.01	-	-	-
Financial assets						
Cash and cash	340.62	-	340.62	-	-	-
Bank balances other than cash and cash equivalents	1.00	102.68	1.00	-	-	102.68
Trade receivables	247.44	-	247.44	-	-	-
Loans	1,808.36	3.73	1,808.36	3.73	-	-
Total	2,397.42	106.41	2,397.42	3.73	-	102.68

(c) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as equity price, interest rates etc.) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices.

Interest rate risk

Since the Company does not have any financial assets or financial liabilities bearing floating interest rates, any change in interest rates at the reporting date would not have any significant impact on the financial statements of the Company.

Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Company has not invested in equity securities and hence it is not exposed to equity price risk. The Company does not invest in commodities and is not exposed to commodity price risk.

Foreign currency risk

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as of balance sheet date in respect of trade payables ₹US\$5408 ₹3.48 Lacs (previous year ₹NIL) and receivables of ₹NIL (previous year ₹NIL).

34 Capital management

The primary objective of the Company is to maximise shareholder value, provide benefits to its stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company has adequate cash and cash equivalents. The company monitors its capital by a careful scrutiny of the cash and cash equivalents and a regular assessment of any debt requirements. In the absence of any debt at the year end, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.



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CREST FINSERV LIMITED
CIN - U65990MH1995PLC091626

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

35 Financial ratios

(₹ in Lakhs)

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Remarks for variance more than 25%
Current Ratio (in times)	Current Assets	Current Liabilities	1.11	1.86	(0.75)	
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	N.A.	N.A.	N.A.	
Debt Service Coverage Ratio (in times)	Earnings before Interest and Tax	Debt Service	N.A.	N.A.	N.A.	
Return on Equity Ratio (%)	Net Profit after tax	Equity	13%	11%	2%	
Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	N.A.	N.A.	N.A.	
Trade Receivable turnover ratio (in times)	Sales	Average Accounts Receivables	8.75	7.57	1.18	
Trade payable turnover ratio (in times)	Purchases / Services Utilised	Average Accounts Payables	15.51	13.61	1.89	
Net capital turnover ratio (in times)	Net Sales	Working Capital	55.91	7.64	48.27	The company has deployed surplus cash balance of previous year
Net profit ratio (%)	Net Profit after tax	Net Sales	19%	13%	6%	
Return on Capital employed (%)	Earnings before Interest and Tax	Capital Employed	17%	15%	2%	
Return on investment (%)	Income generated from investments	Average Investments	N.A.	N.A.	N.A.	

36 Other statutory information

- i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off
- ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- v) The Company have not traded or invested in Crypto currency or virtual currency during the financial year.
- vi) The Schedule III requirements of the Companies Act, 2013 have been complied with to the extent applicable.

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

As per our report of even date
For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)


Ashutosh Jethlia
Partner
Membership No.: 136007

Place: Mumbai
Date : 25 May, 2022



For and on behalf of the Board of Directors


Sheetal Kapadia
DIN - 3317767
Wholetime Director


Ketan Dalal
DIN - 8868842
Wholetime Director