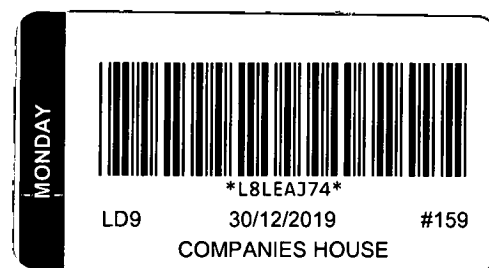


RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

**Report and financial statements for the year ended
31 March, 2019**

Registered number: 02368530



Report and financial statements for the year ended 31 March, 2019

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RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

PARENT COMPANY

Religare Capital Markets International (Mauritius) Ltd
Incorporated and registered in Mauritius under company number C078837
Private limited company

ULTIMATE PARENT COMPANY

Religare Enterprises Limited
Incorporated and registered in India under company number 55-146935
Public limited company

DIRECTORS

Amarjeet Singh Arora (Appointed on 15th October, 2019)
Rajesh Sharma (Resigned on 29th March 2019)
Mark Alastair Runacres (Resigned on 17th September 2018)
Brian William Tempest (Non-executive chairman resigned on 22nd April 2018)

REGISTERED OFFICE

124, Rookery Road Handsworth
Birmingham
United Kingdom
B21 9NN

INDEPENDENT AUDITORS

PBG Associates Limited
Chartered Accountants & Statutory Auditor
65 Delamere Road
Hayes
Middx UB4 0NN

BANKERS

ICICI Bank

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

Directors' report for the year ended 31 March 2019

The directors present their report together with the audited financial statements of Religare Capital Markets (Europe) Limited for the year ended 31 March 2019.

Results and dividends

Revenue for the company for the year was £468K (Previous Year: £1,698K) a decrease of 72%. The profit for the year amounted to £1,113k (Previous Year: loss of £4,676K). These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The directors do not recommend the payment of any dividend (Previous Year: £nil).

Principal activities and Review of business

During the year the company had a property on lease at 100, Cannon Street, London EC4N 6EU, and has sub-let the majority of the floors to third party tenants. But w.e.f. 21st October, 2018 the lease and property was terminated and vacated. Thereafter, the company did not involve in any business activity.

Principal risks and uncertainties

The financial risks which the company faces in respect of its let out premises

Directors

The following served as directors during the year and up to the date of signing the financial statements:

Mark Alastair Runacres	(Non-executive Director resigned on 17 th September, 2018)
Amarjeet Singh Arora	(Executive Director appointed on 15 th October, 2019)
Rajesh Sharma	(Resigned on 29 th March, 2019)
Brian William Tempest	(Non-executive chairman resigned on 22 nd April 2018)

Financial instruments

Details of the company's use of financial instruments are detailed in note 17 to the financial statements.

Directors' responsibilities in the preparation of financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRS) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company financial statements

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. A fair presentation also requires the directors to:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- Provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

Going Concern

The financial statements have been prepared on a break up basis in accordance with the International Reporting Standard for Smaller Entities (effective January 2015).

Policy and practice on payment of creditors

It is the company's policy to settle the terms of payment with those suppliers when agreeing the terms of each transaction and to ensure that these suppliers are made aware of the terms of the payment and to abide by the terms of payment.

Independent auditors

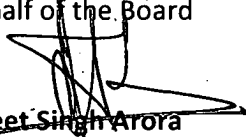
PBG Associates Limited the Statutory Auditors has indicated their willingness to continue in office. A resolution to re-appoint them will be proposed to the board.

Disclosure of information to auditors

Each director in office at the date of the directors' report has approved that:

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) Each director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board


Amarjeet Singh Arora
Director

Date: 24/12/2019
Registered number: 02368530

**Independent Auditors report to the members of Religare Capital Markets
(Europe) Limited**

Opinion

We have audited the financial statements of Religare Capital Markets (Europe) Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Profit or loss and Other Comprehensive Income, Statement of Financial Position, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of Matter

The financial statements of the company have been prepared on the basis other than going concern as the company has ceased its operations and intends to be wound up after year end. All assets have been written down to the recoverable amounts, all expected liabilities have been recorded and long term liabilities have been reclassified as short term liabilities. Our opinion is not qualified in respect of this matter.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

Apart from the impact of the matters disclosed in the 'Emphasis of Matter', we have nothing to report in respect of the information in the 'Going Concern' section of the Report of the Directors set out on page 4.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

Other information

The directors are responsible for the other information. The other information comprises the information in the Directors' Report but does not include the financial statements and our Report of the Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of Report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Devender Arora ACA (Senior Statutory Auditor)
for and on behalf of PBG Associates Limited
Chartered Accountants and Statutory Auditors
65 Delamere Road, Hayes
Middx UB4 0NN
Date: 24 Dec 2019

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

Statement of profit or loss and other comprehensive income for the year ended 31 March 2019

(All amounts in £'000 unless otherwise specified)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Operating Revenue			
Rental income	5	422	1,428
Other Income	6	46	270
Total Operating revenue		468	1,698
Rental expenses	7	814	(696)
Other expenses	8	(294)	(646)
Impairment and other losses	9	124	(4,810)
Personnel Cost	10	-	(235)
Depreciation and amortisation	13	-	-
Operating Expense		644	(6,387)
Operating Profit		1,112	(491)
Finance expense	11	-	(7)
Finance income	11	-	20
Net finance income		-	13
Profit before taxation		1,112	(4,676)
Income tax expense	12	-	-
Profit for the year		1,112	(4,676)
Attributable to:			
- Equity holders of the parent		1,112	(4,676)

All of the above figures are in respect of discontinued operations.

The accounting policies and notes on pages 13 to 34 form an integral part of these financial statements.

Signed on behalf of the Board


Amarjeet Singh Arora
Director

24/12/2019

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

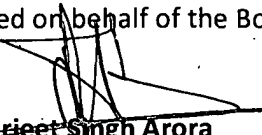
Statement of financial position as at 31 March 2019

(All amounts in £'000 unless otherwise specified)

	Note	31st March 2019	31st March 2018
Assets			
Non-current assets			
Property, plant and equipment	13	-	-
Total non-current assets		-	-
Current assets			
Trade and other receivables	15	-	537
Cash and cash equivalents	22	1,214	827
Total current assets		1,214	1,364
Total assets		1,214	1,364
Capital and reserves			
Ordinary share capital	18	121,554	121,554
Capital redemption reserve	19	725	725
Retained earnings	19	(122,230)	(123,342)
Total equity		49	(1,063)
Current liabilities			
Trade and other payables	16	1,165	2,427
Total current liabilities		1,165	2,427
Total equity and liabilities		1,214	1,364

The financial statements on pages 9 to 34 were approved and authorised for issue by the Board of Directors on 24/12/2019

Signed on behalf of the Board


Amarjeet Singh Arora
Director

Registered number: 02368530

The accounting policies and notes on pages 13 to 34 form an integral part of these financial statements.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED
(Registration number: 02368530)

Statement of changes in equity as at 31 March 2019

(All amounts in £'000 unless otherwise specified)

	Share capital	Capital redemption reserve	Retained earnings	Total equity
Balance at 1 April 2017	121,554	725	(118,666)	3,613
Comprehensive Income				
Loss for the year	-	-	(4,676)	(4,676)
Total comprehensive income	-	-	(1,23,342)	(1,063)
Transactions with owners				
Proceeds from shares issue	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 1 April 2018	121,554	725	(123,342)	(1,063)
Comprehensive Income				
Profit for the year	-	-	1,112	1,112
Total comprehensive income	121,554	725	(1,22,230)	49
Transactions with owners				
Proceeds from shares issue	-	-	-	-
Total transactions with owners	-	-	-	-
Balance at 31st March 2019	121,554	725	(1,22,230)	49

The accounting policies and notes on pages 13 to 34 form an integral part of these financial statements.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Statement of cash flows for the year ended 31 March 2019

(All amounts in £'000 unless otherwise specified)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from/(used in) operating activities			
Profit for the year		1,112	(4,676)
<i>Adjustments for:</i>			
Interest income		-	(20)
Interest expense		-	7
Depreciation		-	-
Cash flows from operating activities before changes in working capital and provisions		1,112	(4,689)
Decrease in trade and other receivables		537	5,534
Increase in trade and other payables		(1,262)	(947)
Cash flow (used in) / from operating activities		387	(102)
Income taxes (paid)		-	-
Net cash flows (used in) / from operating activities		387	(102)
Cash flows from investing activities			
Interest received		-	20
Net cash flow from investing activities		-	20
Cash flows from/ (used in) financing activities			
Interest paid		-	(7)
Net cash flow from/ (used in) financing activities		-	(7)
Net increase/(decrease) in cash and cash equivalents		387	(89)
Cash at the beginning of the year		827	916
Cash at the end of the year	22	1,124	827

The accounting policies and notes on pages 13 to 34 form an integral part of these financial statements.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

1. General information

The company is incorporated and domiciled in the UK. The address of its registered office is 124, Rookery Road Handsworth, Birmingham, United Kingdom B21 9NN (Earlier -The Studio, 1 Doughty Street, London, WC1N 2PH)

2. Summary of significant accounting policies

2.1 Basis of preparation

At the year end, the company's balance sheet showed net current liabilities of £ 49K. The Financial Statements have been prepared in accordance with the International Financial Reporting Standard on a breakup basis as the company has ceased its operations and will be wound up after the year end. All assets have been written down to the recoverable amounts and long term liabilities have been reclassified as short term liabilities.

2.2 Exemption from consolidation

In preparing these financial statements the company has taken advantage of the exemption from preparing consolidated accounts conferred by section 401 of the Companies Act 2006. The company is not required to prepare consolidated financial statements owing to the consolidated financial statements of Religare Capital Markets Limited, an Indian company and an intermediate parent company, being drawn up at the same date and being publicly available. The consolidated financial statements of Religare Capital Markets Limited will be prepared in accordance with the EU 7th Directive or equivalent (which applies for accounting periods beginning on or after 1 January 2005).

2.3 Foreign currency

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in GBP, which is the company's functional and presentational currency.

b) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

Translation differences on non-monetary profit and loss and other financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the statement of Profit or Loss and other comprehensive as part of the fair value gain or loss.

2.4 *Property, plant and equipment*

The property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on all items of property, plant and equipment is calculated using the straight line method over their expected useful lives. No depreciation is charged during the year as the useful life of the assets is over.

2.5 *Impairment of non-financial assets*

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less its costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Impairment charges are included in the impairment and other losses line in the statement of Profit or loss and other comprehensive income, except to the extent they reverse gains previously recognised in Statement of Profit or loss and other comprehensive income.

2.6 *Financial assets*

2.6.1 *Classification*

The company classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the balance sheet.

2.6.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or losses are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit or loss and other comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of Profit or loss and other comprehensive income within 'gains/ (losses) on financial instruments held for trading in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of Profit or loss and other comprehensive income as part of other income when the company's right to receive payments is established.

Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. Unquoted investments are valued based on the most recently traded price for those shares, where the shares have not been traded for a period longer than 6 months the valuation is calculated on the total number of shares over the net assets based on the latest set of signed financial statements.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

2.7 Impairment of financial assets

A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the company on terms that the company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

2.8 Trade receivables

Trade receivables are amounts due from customers for investment banking services performed in the ordinary course of business. The collection is expected either immediately or within 30 days, hence they are classified as current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.9 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks and bank overdrafts.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities as they are payable within one year.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in Statement of Profit or loss and other comprehensive income or directly in equity.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base, except for differences arising from:

- The initial recognition of goodwill
- Goodwill for which amortisation is not deductible
- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit.
- Investments in subsidiaries and jointly controlled entities where the group is able to control the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those circumstances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities / (assets) are settled / (recovered).

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.13 Employee benefits

a) Pension obligations

For defined contribution plans the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Bonus payments

The company recognises a liability and an expense for guaranteed cash bonuses. The bonuses are accounted as long term employee benefits under IAS 19. The expected employee benefit is spread over the service period and is discounted using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

2.14 Provisions

Provisions are recognised when the company has a present legal obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are measured at the present value of the expenses expected to be required to settle the obligation.

2.15 Revenue

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the entity's activities as described below:

- Commission from acting as agent in investment business is recognised on the trade date;
- Fee income from corporate broking and related activities is brought into account when the transaction has been completed and authorised by the client. Some of this revenue is taken in the form of shares in the client enterprise rather than cash. In this case the amount taken to revenue will be the value of the fee agreed with the client or, if no specific fee was agreed, then the market value of the shares acquired at the date of the completion of the transaction. In either case the shares are recognised as financial instruments held for trading;
- Fee income from investment management and advisory services is recognised at the date of delivery of the service;
- Financial instruments held for trading are valued at fair value and the difference between this value and cost is recognised in the statement of comprehensive income account. In the case of quoted investments fair value is taken to be the quoted mid-market price. For unquoted investments the fair value is taken to be the last price at which identical financial instruments were traded in an arm's length transaction. In the absence of any external basis of assessing fair value the directors will attribute a fair value based on the original cost and their knowledge of the activities and results of the underlying company. Also refer Note 4(b) below.
- Rental income from the letting out of part of the building located at 100 Cannon Street to third party tenants is recognised on a monthly basis as per the terms of the contract. Present value of future benefits is accrued
- Interest income is recognised using the effective interest method.
- Dividend income is recognised when the right to receive payment is established.

2.16 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases

RELIGARE CAPITAL MARKETS (EUROPE) LIMITED

(Registration number: 02368530)

Notes to the financial statements for the year ended 31 March 2019

Summary of significant accounting policies (continued)

(net of any incentives received from the lessor) are charged to the statement of Profit or loss and other comprehensive income on a straight-line basis over the period of the lease. Provision is made for the present value of net future expenditures required to settle the obligations where the time value of money is material.

2.17 New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements

In the current year the company has applied no new and revised IFRSs that have been issued and are mandatorily effective.

2.18 New and revised IFRSs in issue but not yet effective

The company has not applied any new and revised IFRSs that have been issued but are not yet effective

3. Change in accounting policies

A number of standards and interpretations have been issued by IASB. They became effective after the current year and have not been adopted by the company. Management has reviewed these standards and believe none of these standards are expected to have a material effect on the company's future financial statements.

4. Critical accounting estimates and judgements

a) Income taxes

Where the company is subject to income taxes in numerous jurisdictions, significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain.

b) Gains or losses on financial instruments held for trading

The company derives the gain/(loss) on financial instruments held for trading for investments traded in active markets (such as publicly traded derivatives and trading securities) from quoted market prices at the close of trading on the reporting date. For unquoted investments value is based on the most recently traded price for those shares. Where the shares have not been traded for a period longer than 6 months, the valuation is calculated on the total number of shares over the net assets based on the latest set of signed financial statements.

c) Valuation / impairment in subsidiaries

The carrying amounts of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are

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recognised in the statement of comprehensive income immediately. The recoverable amount of an asset is the greater of its fair value less cost to sell and its value in use.

d) Provision for impairment of receivables

Management regularly undertakes a review and assesses the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment, assumptions are made as to the level of provisioning required.

5. Rental income

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Rental income	422	1,428
	<u>422</u>	<u>1,428</u>

6. Other Income

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Support service income	-	268
Other Income	46	2
*Recoverable written back		
	<u>46</u>	<u>270</u>

7. Rental expense

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Operating lease expenditure	442	696
Rental expense written back	(1256)	-
	<u>(814)</u>	<u>696</u>

In financial year 2018-19, the company has written back rental expense due towards Monitor Capital S.A.R.L superior landlord of 100 Cannon Street as given below:

- i) For financial year 2015-16: GBP 45,123
- ii) For financial year 2017-18: GBP 736,160 and
- iii) For financial year 2018-19: GBP 473,404.

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Notes to the financial statements for the year ended 31 March 2019**8. Other expenses**

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Rates & taxes	124	7
Auditors remuneration		
- Statutory audit fees	5	5
- Reimbursement of Expenses	1	-
Legal and professional expense	26	50
Communication expense	-	(2)
Other miscellaneous expense	136	586
	<u>294</u>	<u>646</u>

The company received prior periods invoice from city of London for rates & taxes during the financial year as given below:

- iv) 11th October,2016 to 31st March,2017 for Part 3rd Floor North 100, Cannon Street, London EC4N 6EU for GBP 11,495 and
- v) 01st April,2017 to 31st March,2018 for Part 3rd Floor North 100, Cannon Street, London EC4N 6EU for GBP 69,663.

9. Impairment and other losses

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Impairment of receivables	(124)	4,809
(Profit)/ Loss on sale and w/off of fixed assets	-	-
(Profit)/ Loss on translation of foreign currencies	-	1
	<u>(124)</u>	<u>4,810</u>

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Notes to the financial statements for the year ended 31 March 2019**10. Personnel costs**

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Staff costs for all employees, including executive directors, consist of:		
Wages and salaries*	-	205
Defined contribution pension cost	-	2
Employer's national insurance contributions and similar taxes	-	27
Other staff welfare expenses	-	1
	-	235

*includes bonus

The average number of employees during the year includes executive directors only

	2019 No. of employees	2018 No. of Employees
Dealing and sales staff	-	1
Settlement and administration staff	-	-
	-	1

Director's emoluments

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Aggregate emoluments	-	208
Defined contribution pension scheme:	-	-
- Contributions made for the year	-	27
Sums paid to third parties for directors' services	-	-
	-	235

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Notes to the financial statements for the year ended 31 March 2019**11. Finance income and expenses**

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Interest expense:		
- Interest expense on Inter corporate deposits	-	(7)
Finance costs	-	(7)
Interest income:		
- Interest income in inter corporate deposits	-	20
- Interest income others	-	-
Finance Income	-	20

12. Income tax expense

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Total tax charge	-	-

The tax on the company's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the company as follows:

	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
Profit before tax	1,112	(4,676)
Tax credit based on the standard rate of corporation tax in the UK of 19% (Previous Year: 19%)	211	(888)
Corporation tax losses carried forward - not recognised	211	(888)
Amount debited / (credited) to the income statement	-	-

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13. Property, plant and equipment

	Computer and office equipment £'000	Fixtures and Fittings £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 April 2018	187	23	-	210
Additions	-	-	-	-
Assets impaired	-	-	-	-
Disposals	-	-	-	-
At 31 March 2019	187	23	-	210
Accumulated Depreciation				
At 1 April 2018	187	23	-	210
Charge in the year	-	-	-	-
Assets impaired	-	-	-	-
On disposals	-	-	-	-
At 31 March 2019	187	23	-	210
Net book value at 31 March 2018	-	-	-	-
Net book value at 31 March 2019	-	-	-	-

	Computer and office equipment £'000	Fixtures and Fittings £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 April 2017	187	23	-	210
Additions	-	-	-	-
Assets impaired	-	-	-	-
Disposals/ write off	-	-	-	-
At 31 March 2018	187	23	-	210
Accumulated Depreciation				
At 1 April 2017	187	23	-	210
Charge in the year	-	-	-	-
Assets impaired	-	-	-	-
On disposals / write off	-	-	-	-
At 31 March 2018	187	23	-	210
Net book value at 31 March 2019	-	-	-	-
Net book value at 31 March 2018	-	-	-	-

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Notes to the financial statements for the year ended 31 March 2019**14. Subsidiary and associate companies**

The principal subsidiaries and associates of Religare Capital Markets (Europe) Limited (formerly known as Religare Capital Markets PLC) is:

Name of the Subsidiaries	Country of registration or incorporation	Proportion of ownership interest		Trading/ Dormant	Status as on 31 March 2018	Nature of trade
		2019	2018			
Religare Capital Markets (UK) Limited	England and Wales	100%	100%	Non-Operating & Non-Regulated	Direct	-

15. Trade and other receivables

	31 March 2019 £'000	31 March 2018 £'000
Trade Debtors	-	468
Prepayments	-	1
Other receivables	-	68
	<u>-</u>	<u>537</u>

All amounts shown under debtors fall due within one year.

16. Trade and other payables

	31 March 2019 £'000	31 March 2018 £'000
Trade creditors	203	975
Accruals	39	41
Amounts owed to group companies	460	492
Other payables	463	919
	<u>1,165</u>	<u>2,427</u>

17. Financial instruments

The company differentiates its financial assets and liabilities into the following classes:

	31 March 2019 £'000	31 March 2018 £'000
Financial assets		
Cash and cash equivalents	1,214	827
Trade and other receivables	-	537
Financial instruments held for trading		

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Notes to the financial statements for the year ended 31 March 2019**Financial liabilities**

Trade and other payables

1,165

2,427

All the company's financial assets and liabilities categorised as "current" are receivable or payable within twelve months with the exception of financial instruments held for trading, the disposal of which is subject to management decisions in the light of market conditions.

The directors consider that in all cases there is no significant difference between the fair value of the company's assets and liabilities and the value at which they are stated in these financial statements.

The company is exposed through their operations to the following financial risks:

- Interest rate risk
- Foreign currency risk
- Liquidity risk
- Market price risk
- Credit risk

Interest rate risk

The interest rate profile of the financial assets and liabilities of the company was:

	Year ended 31 March 2019 Non-interest bearing £'000	Year ended 31 March 2019 Floating rate £'000	Year ended 31 March 2018 Non-interest bearing £'000	Year ended 31 March 2018 Floating rate £'000
Cash	1,214		827	
Trade and other receivables	-	-	537	1,186
Trade and other payables	1,165	-	(2,427)	(305)
Total	49	-	(1,063)	881

The company has minimal interest rate risk because of the existence of floating rate assets.

Financial assets

The financial assets of the company as at 31 March 2019 amounted to £1,214 K of which £1,214 K were sterling balances on overnight deposit with banks. (Previous Year: £1,364K of which £827K were sterling balances on overnight deposit with banks).

The carrying amounts of financial liabilities, all of which are exposed to cash flow or value interest rate risk, are repayable as follows:

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Notes to the financial statements for the year ended 31 March 2019

	31 March 2019		31 March 2018	
	Carrying Value	Maximum exposure	Carrying Value	Maximum Exposure
	£'000	£'000	£'000	£'000
Cash	1,214	1,214	827	827
Trade Creditors and Accruals			1,935	1,935
Borrowings			492	492
			<u>3,254</u>	<u>3,254</u>

The company considers that if the cash and cash equivalents is not sufficient to cover all immediate liabilities, the trade and other receivables balance of £0 (Previous year £537) which falls due in approximately the same timeframe as the above liabilities. (Refer Note no 2.1 Basis of preparation).

Credit risk

Credit risk is the risk that market counterparties, clients or third parties may be unable to meet their obligations to the company resulting in financial loss to the company. The company is primarily exposed to counter party credit risk on cash and cash equivalents, amounts due from brokers and other receivable balances.

The company's exposure to credit risk from different exposure classes is summarised below:

	Carrying value as at 31 March 2019	Carrying value as at 31 March 2018
Cash	1,214	827
Clients in respect of lease rental services, / institutional and corporate broking/ research services	-	468
Other third parties	-	69
	-	<u>537</u>

An assessment of balances due from corporate clients in respect of lease rental services, institutional / corporate broking fees and group undertakings to determine whether the asset is impaired is carried out at each balance sheet date. Where there is evidence of impairment, usually the non-payment of a balance more than twelve months after the due date, then an impairment loss is recognised in the income statement.

For cash held at bank, review procedures are undertaken at least annually to ensure if any credit risk exposure is discovered, steps are taken to reduce this risk.

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Notes to the financial statements for the year ended 31 March 2019

The company does a creditworthiness check on its clients at initial levels at the timing of on boarding; however, the company doesn't rate the creditworthiness of its client due to the nature of its operations. As an internal process, the company conducts periodic reviews in order to ascertain recoverability of the debtors and accordingly the provisions are made (if required).

18. Share capital

	31 March 2019 Number	31 March 2019 £'000	31 March 2018 Number	31 March 2018 £'000
Issued and fully paid:				
<i>Ordinary shares of 10 pence each</i>				
At beginning of the period	121,553,630	121,554	121,553,630	121,554
Issued in exchange for equity	-	-	-	-
Reduction of share capital	-	-	-	-
At end of the period	121,553,630	121,554	121,553,630	121,554

19. Reserves

	Capital redemption reserve £'000	Retained earnings £'000
At 1 April 2017	725	(118,666)
Loss for the year	-	(4,676)
At 31 March 2018	<u>725</u>	<u>(123,342)</u>
At 1 April 2018	725	(123,342)
Profit for the year	-	1,112
At 31 March 2019	<u>725</u>	<u>(1,22,230)</u>

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Capital redemption	Amount transferred from share capital on redemption of issued shares.
Retained earnings	Cumulative net gains and losses recognised in the Statement of Profit or Loss and other Comprehensive Statement.

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Notes to the financial statements for the year ended 31 March 2019**20. Changes in shareholders' equity**

	31 March 2019 £'000	31 March 2018 £'000
Total comprehensive profit	1,112	(4,676)
Shares issued for equity	-	-
Reduction of share capital	-	-
Net (reduction)/addition to shareholders funds	1,112	(4,676)
Capital and reserves attributable to equity holders of the parent at the beginning of the period	(1,063)	3,613
Capital and reserves attributable to equity holders of the parent	49	(1,063)
Capital and reserves attributable to equity holders of the parent at the end of the period	49	(1,063)

21. Leases*Operating leases*

The company had operating leases for the following properties:

- 100 Cannon Street for which ended on 20th October 2018.

- **Notice from Monitor Capital SARL(100 Cannon Street superior landlord) :**

The company received a notice from superior landlord for termination of head lease agreement of 100, Cannon Street, London EC4N 6EU with Religare Capital Markets (Europe) Limited w.e.f. 21st October, 2018. As a consequence of which, the lease is forfeited and the premises has been secured. Also the rental income from the portion of the property the company sub-leased was directly paid to superior landlord by sub-tenants.

The total of future minimum lease payments due is as follows:

	31 March 2019 £'000	31 March 2018 £'000
Not later than one year	-	1,914
Later than one year and not later than 5 years	-	563
More than 5 years	-	-
Total	-	2,477

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Notes to the financial statements for the year ended 31 March 2019**22. Notes supporting the cash flow statement**

Cash and cash equivalents comprise:

	31 March 2019 £'000	31 March 2018 £'000
Cash available on demand	1,214	827
	<u>1,214</u>	<u>827</u>
Net (decrease)/increase in cash and cash equivalents	387	(89)
Cash and cash equivalents at the beginning of the year	827	916
Cash and cash equivalents at the end of the year	<u>1,214</u>	<u>827</u>

23. Contingent liabilities

There are no contingent liabilities.

24. Related party transactions**Ultimate parent:**

Religare Enterprises Limited

Parent/holding company:

Religare Capital Markets International (Mauritius) Limited

Subsidiaries and fellow subsidiaries:**Direct subsidiaries**

Religare Capital Markets (UK) Limited

Indirect/fellow subsidiaries

Tobler UK Ltd

Religare Capital Markets Inc.

Religare Capital Markets (Hong Kong) Ltd

Religare Capital markets (Singapore) Ltd

Kyte Management Limited (KML)

Religare Capital Markets Corporate Finance Pte Ltd.

Bartleet Asset Management (Private) Limited

Strategic Research Limited

Religare Bartleet Capital Markets (Private) Limited

Bartleet Religare Securities (Private) Limited

Bartleet Wealth Management (Private) Limited

(Formally known as Religare Bartleet Capital Markets (Private) Limited)

Joint ventureMilestone Religare Capital Management Limited (Strike off on 17th August, 2017)

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Notes to the financial statements for the year ended 31 March 2019

25. Segment reporting

The company's main operating segment during the year was lease rental services.

26. Immediate and ultimate parent companies

The immediate parent company is Religare Capital Markets International (Mauritius) Limited, a company incorporated in Mauritius.

Religare Capital Markets Limited, India is the largest group for which consolidated accounts are prepared. The consolidated financial statements of Religare Capital Markets Limited, India will be available at 2nd floor, Rajlok Building, 24, Nehru Place, New Delhi-110019.

The company's ultimate controlling undertaking is Religare Enterprises Limited, incorporated in India.

27. Previous Year Figures

The Previous year figures has been rearranged/regrouped/reclassified, whenever considered necessary, to facilitate comparison with current year figures.

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Notes to the financial statements for the year ended 31 March 2019

(Amount in £'000)

Nature of Transactions	Name of the Related Party	Holding Company/Controlling Enterprises		Key Management Personnel		Subsidiary/Fellow Subsidiary/Subsidiaries of Fellow-Subsidiaries / Joint Ventures		Total	
		2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018
Interest Income on Intercompany Deposit	Religare Capital Market International (Mauritius) Limited	-	20	-	-	-	-	-	20
	Religare Capital Markets Inc.	-	-	-	-	-	-	-	-
Commission Income total		-	20	-	-	-	-	-	20
Support services Income									
	Religare Capital Markets Hong Kong Limited					-	268	-	268
Support services Income total					-	-	268	-	268
Support services Expense									
	Religare Capital Markets Limited	-	84	-	-			-	84
Support services Expense total		-	84	-	-			-	84

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(Amount in £'000)

Nature of Transactions	Name of the Related Party	Holding Company/Controlling Enterprises		Key Management Personnel		Subsidiary/Fellow Subsidiary/Subsidiaries of Fellow-Subsidiaries / Joint Ventures		Total	
		2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018
Balance Written off-Income									
	Tobler UK Ltd	-	-	-	-	37	-	37	-
	Religare Capital Markets (UK) Ltd	-	-	-	-	4	-	4	-
Balance Written off-Income total									
		-	-	-	-	41	-	41	-
Interest Expense on Inter Corporate Deposit									
	Tobler UK Ltd	-	-	-	-	-	7	-	7
Interest Expense on Inter Corporate Deposit Total		-	-	-	-	-	7	-	7

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Notes to the financial statements for the year ended 31 March 2019

(Amount in £'000)

Nature of Transactions	Name of the Related Party	Holding Company/Controlling Enterprises		Key Management Personnel		Subsidiary/Fellow Subsidiary/Subsidiaries of Fellow-Subsidiaries / Joint Ventures		Total	
		2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018	2018-19	2017-2018
Other Payables									
	Religare Capital Markets (Singapore) Limited	-	-	-	-	7	7	7	7
	Tobler UK Ltd	-	-	-	-	28	28	28	28
	Religare Capital Market Limited	95	95	-	-	-	-	95	95
	Religare Capital Market (Hong Kong) Limited	-	-	-	-	20	20	20	20
Other Payables Total		95	95	-	-	55	55	150	150
Other Recoverable									
	Tobler UK Ltd	-	-	-	-	16	-	16	-
Recoverable total		-	-	-	-	16	-	16	-