



**INDEPENDENT AUDITORS REPORT**

**TO THE BOARD OF DIRECTORS CENTRUM RETAIL SERVICES LIMITED**

**Report on the Audit of Special Purpose Financial Statements**

**Opinion**

We have audited the accompanying Special Purpose Financial statements of CENTRUM RETAIL SERVICES LIMITED ("the company"), which comprise the Balance sheet as at March 31<sup>st</sup>2019, the statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information. The special purpose financial statements have been prepared by the Management of the company for the purpose of its consolidation by its Holding Company i.e. Centrum Capital Ltd.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give the information in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed in Rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31<sup>st</sup> 2019 and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

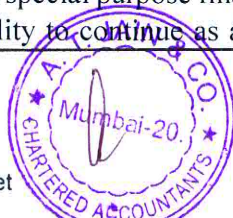
We conducted our audit of the special purpose financial statements in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Special purpose Financial Statements* section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

**Responsibilities of Management and Those Charged with Governance for the Special Purpose Financial Statements**

The Company's Board of Directors are responsible for the matters stated with respect to the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance and cash flow statement in accordance with the accounting principles and policies generally accepted in India, as applicable and in accordance with the required format of special purpose financial statements.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose 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 for accounting unless management either intends to liquidate the company or to Cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

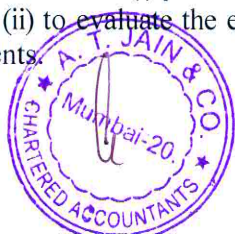
### **Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose financial statements.

As a 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 special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 special purpose 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 special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the special purpose 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 special purpose 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.

#### **Restriction on Distribution and Use**

The special purpose financial statements have been prepared for inclusion in the consolidated financial statements of the Parent Company. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the the Parent Company and the auditors of the Parent Company for their consideration into the audit of Consolidated Financial Statements and should not be distributed to or used by parties other than the Company, the Parent Company and the Auditors of the Parent Company.

#### **Other matter**

The company shall prepare a separate set of general purpose financial statements for the year ended March 31<sup>st</sup>2019 in accordance with the Indian Accounting Standards notified under Section 133 of the Act, on which we shall issue a separate Auditor's Report to the members of the company.

**For A.T. Jain & Co.**  
**Chartered Accountants**  
**Firm Registration Nos. 103886W**

**Sushil Jain**  
**(Partner)**  
**Membership No. 033809**  
Place: Mumbai  
Date: 22nd May 2019





**CENTRUM RETAIL SERVICES LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

Particulars	Note No.	As at March 31,2019 ₹	As at March 31,2018 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	35,54,65,350	35,54,65,350
Reserves and surplus	4	3,91,65,55,318	2,50,38,68,704
<b>Non-current liabilities</b>			
Long-term borrowings	5	2,08,93,56,031	1,36,16,14,337
Other Long term liabilities	6	71,38,29,182	71,52,70,775
Long-term provisions	7	22,66,404	27,97,747
Deferred tax liabilities	32	32,03,905	-
<b>Current liabilities</b>			
Short-term borrowings	8	4,55,00,000	98,22,16,714
Trade payables	9		
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,70,47,528	1,57,63,134
Other current liabilities	10	27,13,01,254	24,64,66,631
Short-term provisions	11	21,11,33,362	1,76,64,004
<b>TOTAL</b>		<b>7,62,56,58,333</b>	<b>6,20,11,27,397</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment			
Tangible assets	12	14,01,25,615	2,62,14,346
Intangible assets	12	40,83,142	45,37,399
Capital Work In Progress	12	-	2,20,00,508
Non-current investments	13	86,59,41,190	1,98,27,77,823
Long-term loans and advances	14	11,53,10,006	5,48,79,048
<b>Current assets</b>			
Current Investments	15	75,95,874	9,01,052
Inventories	16	1,00,000	-
Trade receivables	17	9,54,36,749	13,32,91,369
Cash and cash equivalents	18	8,32,62,622	46,611
Short-term loans and advances	19	3,24,97,58,699	3,55,34,33,975
Other current assets	20	3,06,40,44,436	42,30,45,266
<b>TOTAL</b>		<b>7,62,56,58,333</b>	<b>6,20,11,27,397</b>
The accompanying notes 1 to 44 are an integral part of the financials statements			

As per our Audit Report of Even Date Attached  
For A.T. Jain & Co.  
Chartered Accountants  
Firm Registration No:- 103886W

For and on behalf of the Board of Directors  
Centrum Retail Services Limited.

  
Sushil T. Jain  
Partner  
Membership No:- 033809  
Place: Mumbai  
Date: 22nd May 2019



  
Steven Pinto  
Chairman  
DIN : 00871062

  
Narayan Krishnan  
CFO

  
Rajnish Bahl  
Managing Director  
DIN : 01699047

  
Archana Goyal  
Company Secretary



**CENTRUM RETAIL SERVICES LIMITED**

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Note No.	Year Ended	Year Ended
		March 31,2019 ₹	March 31,2018 ₹
<b>Revenue</b>			
Revenue from Operation	21	741,876,599	470,856,735
Other Income	22	14,873,758	8,205,915
<b>Total Revenue</b>		<b>756,750,357</b>	<b>479,062,650</b>
<b>Expenses</b>			
Employee benefits expenses	23	168,527,589	99,422,876
Finance Costs	24	372,545,170	176,839,843
Depreciation and amortization expenses	12	13,714,447	4,686,781
Other expenses	25	1,486,315,798	116,065,185
<b>Total Expenses</b>		<b>2,041,103,003</b>	<b>397,014,684</b>
<b>Profit before exceptional items and tax</b>		<b>(1,284,352,646)</b>	<b>82,047,966</b>
Exceptional Items	26	3,063,425,088	171,478,234
<b>Profit before tax</b>		<b>1,779,072,442</b>	<b>253,526,200</b>
<b>Tax Expenses</b>			
- Current tax		387,974,281	55,857,154
-Less: MAT Credit (Entitlement) / Reversal		(25,306,537)	(2,763,806)
Tax expenses/(credit) relating to prior years		514,179	(10,568)
Deferred Tax		3,203,905	-
<b>Profit/ Loss for the Year</b>		<b>1,412,686,614</b>	<b>200,443,421</b>
<b>Earnings per share (face value of ₹. 10/- each):</b>			
(i) Basic		39.74	5.52
(ii) Dilutive		39.74	5.52
The accompanying notes 1 to 44 are an integral part of the financials statements			

As per our Audit Report of Even Date Attached

For A.T. Jain & Co.

Chartered Accountants

Firm Registration No.:- 103886W



Sushil T. Jain

Partner

Membership No:- 033809

Place: Mumbai

Date: 22nd May 2019




For and on behalf of the Board of Directors  
Centrum Retail Services Limited.



Steven Pinto

Chairman

DIN : 00871062



Rajnish Bahl

Managing Director

DIN : 01699047



Narayan Krishnan

CFO



Archana Goyal

Company Secretary

**CENTRUM RETAIL SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

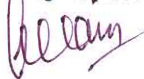
Particulars	Year Ended March 31, 2019 ₹	Year Ended March 31, 2018 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Taxation</b>	1,779,072,442	253,526,201
Adjustments for :-		
Interest expense	331,856,500	173,787,893
Depreciation and amortisation expenses	13,714,447	4,686,781
Profit on sales of current investment	(14,199,492)	-
Profit on sale of Investment	(3,324,095,616)	(172,379,287)
Loss on sales of Investments	382,201,209	-
Interest Income	(623,014)	-
Deferred Rent Provision	(303,439)	220,683
Unrealised gain on open option position	38,045,118	78,423,006
Bad Debts Written Off	3,121,532	-
Property, Plant and Equipment discarded	4,547,045	-
Loss on sale of Property, Plant and Equipment	36,162	-
Marked-to- Market Losses	4,800,000	-
<b>Operating Profit before Working Capital changes</b>	(781,827,106)	338,265,278
Adjustments for :		
(Increase) / Decrease in Trade Receivables	34,733,088	(113,127,127)
(Increase) / Decrease in Inventories	(100,000)	-
(Increase) / Decrease in Loans & Advances	(2,256,755,681)	(3,397,023,828)
(Increase) / Decrease in Other Current Assets	(110,224,288)	(463,239,259)
Increase / (Decrease) in Other Liabilities	(178,482,258)	691,535,538
Increase / (Decrease) in Provisions	18,678,431	(3,870,165)
<b>Cash generated from Operations before tax</b>	(3,273,977,815)	(2,947,459,563)
Taxes Paid (Net of Refunds)	193,722,339	37,675,620
<b>Net Cash generated from/(Used in) Operating Activities</b>	(A) (3,467,700,155)	(2,985,135,183)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	623,014	-
Purchase of Property, Plant and Equipment	(6,085,972)	(41,973,758)
Sale of Property, Plant and Equipment	105,932	-
Purchase of Current Investment	(6,357,393,867)	-
Purchase of Investments in Subsidiaries	(604,730,615)	(1,322,232,194)
Proceeds from sale of Investments in Subsidiaries	4,490,867,538	2,428,691,781
Proceeds from sale of Current Investments	6,364,898,538	-
<b>Net Cash generated from/(Used in) Investing Activities</b>	(B) 3,888,284,568	1,064,485,828
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Buyback of Shares (Incl Premium)	-	(51,332,775)
Proceeds from long-term borrowings	728,481,539	1,401,522,415
Repayment of long-term borrowings	(739,846)	(930,105)
Proceeds from short-term borrowings	10,000,000	982,216,714
Repayment of short-term borrowings	(946,716,714)	(390,807,118)
Interest paid	(128,393,383)	(68,163,335)
<b>Net Cash Generated from/(Used in) from Financing Activities</b>	(C) (337,368,404)	1,872,505,797
<b>Net Increase / (decrease) in Cash and Cash Equivalents</b>	(A+B+C) 83,216,011	(48,143,559)
<b>Opening Cash and Cash Equivalents</b>	46,611	48,190,170
Cash in Hand	46,611	21,189
Balance With Banks	-	48,168,981
<b>Closing cash and cash equivalents</b>	83,262,622	46,611
Cash in Hand	68,501	46,611
Bank Balance	4,590,201	-
	<b>83,262,622</b>	<b>46,611</b>

The above cash flow statements have been prepared under the indirect method set out in Accounting Standard (AS)-3.

Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006.

- Direct tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.
- During the year, the company has made investment 1 (one) share warrant at ₹. 10,00,000 of Centrum Wealth Management Limited (Subsidiary company) and the company paid ₹.10,00,000/- which is 100% of the total value of warrants. the entire amount has been discharged by means of cash and cash equivalents.
- During the year, the company has made investment ₹ Rs 35,28,00,000 towards 49% stake in Centrum Investment Advisors Limited, the entire amount has been discharged by means of cash and cash equivalents.
- The Company has acquired 48.99% stake in Centrum Broking Limited from Holding Company Centrum Capital Limited for a purchase consideration of ₹.19,84,50,000/-. The entire amount has been discharged by means of cash and cash equivalents.
- During the previous year the Company has divested its stake in Centrum Securities Private Limited for sales proceeds of Rs. 68,216/- which was received in cash and cash equivalents.
- During the current year the Company has sold its stake in Centrum Direct Limited to Goldman Securities Pvt Ltd vide share purchase agreement dated 2nd April 2018 read with deed of assignment dated 15th May 2018.

For A.T.Jain & Co.  
Chartered Accountants  
Firm Reg. No.:103886W

  
Sushil T. Jain  
Partner  
Membership No:- 033809  
Place: Mumbai  
Date: 22nd May 2019



For and on behalf of the Board of Directors  
Centrum Retail Services Limited

  
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Archana Goyal  
Company Secretary



**CENTRUM RETAIL SERVICES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

Particulars	As at March 31,2019 ₹	As at March 31,2018 ₹		
<b>Note 3 : Share Capital</b>				
<b>Authorised Shares:</b> 3,80,00,000 (Previous year 3,80,00,000) equity shares of ₹ 10/- each	38,00,00,000	38,00,00,000		
<b>Total</b>	<b>38,00,00,000</b>	<b>38,00,00,000</b>		
<b>Issued, Subscribed &amp; Fully Paid Shares</b> 3,55,46,535 ( Previous year 3,5546,535) Equity Shares of ₹ 10/- each	35,54,65,350	35,54,65,350		
<b>Total</b>	<b>35,54,65,350</b>	<b>35,54,65,350</b>		
<b>3.1 Reconciliation of the Number of shares outstanding</b>				
Particulars	As at March 31,2019 No. of Shares	As at March 31,2018 No. of Shares		
<b>Equity Shares</b>				
At the beginning of the period	3,55,46,535	3,63,36,270		
Less Bought back during the year	-	(7,89,735)		
<b>Outstanding at end of the year</b>	<b>3,55,46,535</b>	<b>3,55,46,535</b>		
Out of 3,55,46,535 Shares, 3,07,99,693 Shares has been Issued for consideration other than cash				
<b>Terms / Rights attached to equity shares:</b>				
The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year and previous year.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>3.2 Shares held by holding company</b>				
Share Holder	As at March 31,2019		As at March 31,2018	
	No of Shares	% of Holding	No. of Shares	No. of Shares
<b>Centrum Capital Ltd</b>	3,31,77,328	93.33%	3,03,29,219	85.32%
<b>Total</b>	<b>3,31,77,328</b>	<b>93.33%</b>	<b>3,03,29,219</b>	<b>85.32%</b>
<b>3.3 Details of shareholders holding more than 5% shares</b>				
Share Holder	As at March 31,2019		As at March 31,2018	
	No of Shares	% of Holding	No of Shares	% of Holding
<b>Equity Shares of ₹. 10 each fully paid</b>				
Centrum Capital Ltd, holding Company	3,31,77,328	93.33%	3,03,29,219	85.32%
Amritpal Singh Bindra	23,69,207	6.67%	23,69,207	6.67%
Caishen Enterprise LLP	-	-	25,31,647	7.12%
<b>Total</b>	<b>3,55,46,535</b>	<b>100</b>	<b>3,52,30,073</b>	<b>99</b>
The company has bought back 7,89,735 equity shares of ₹ 10 each pursuant to buyback program in the FY 2017-18				



Particulars	As at March 31,2019 ₹	As at March 31,2018 ₹										
<b>Note 4 : Reserves &amp; Surplus Securities Premium</b>												
Opening Balance	2,18,73,88,453	2,23,08,23,878										
Less: Utilised for buyback of equity shares	-	(4,34,35,425)										
Add: Reversal for buyback of equity shares in FY 2017-18	4,34,35,425	-										
Balance as at end of the year	<b>2,23,08,23,878</b>	<b>2,18,73,88,453</b>										
<b>Debenture Redemption Reserves</b>												
Opening balance	31,64,80,251	31,64,80,251										
Add: Transfer from surplus in the statement of profit & loss.	32,48,94,749	-										
Less : Transferred to general reserves	(1,18,75,000)	-										
Balance as at end of the year	<b>62,95,00,000</b>	<b>31,64,80,251</b>										
<b>Capital Redemption Reserve</b>												
Opening balance	-	-										
Add: Transfer from surplus in the statement of profit & loss	78,97,350	-										
Balance as at end of the year	<b>78,97,350</b>	-										
<b>General Reserves</b>												
Opening balance	-	-										
Add: Transferred from debenture redemption reserves	1,18,75,000	-										
Balance as at end of the year	<b>1,18,75,000</b>	-										
<b>Surplus/(Deficit) in the statement of profit &amp; loss</b>												
Opening Balance	-	11,60,36,830										
Add: Profit for the year	1,41,26,86,614	20,04,43,421										
Amount Available for Appropriation	<b>1,41,26,86,614</b>	<b>31,64,80,251</b>										
<u>Less: Appropriations</u>												
Utilised for buyback of equity shares in Financials Year 2017-18	(4,34,35,425)	-										
Transfer to Capital Redemption Reserve	(78,97,350)	-										
Transfer to Debenture Redemption Reserves	(32,48,94,749)	(31,64,80,251)										
Balance as at the end of the year	<b>1,03,64,59,090</b>	-										
<b>Total</b>	<b>3,91,65,55,318</b>	<b>2,50,38,68,704</b>										
Particulars	As at March 31,2019 ₹	As at March 31,2018 ₹										
<b>Note 5 : Long-term borrowings Secured Loans</b>												
<b>Non Convertible Market Linked Debentures</b>	1,95,24,55,672	1,36,08,74,491										
(Secured by way of first pari passu floating charge created on present and future business receivables and investments upto 100% of the value of debenture as set out in the debenture Trust Deed)												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Maturity Year</th> <th style="text-align: center;">Amount</th> </tr> </thead> <tbody> <tr> <td>2021-2022</td> <td style="text-align: right;">99,22,64,489</td> </tr> <tr> <td>2020-2021</td> <td style="text-align: right;">96,01,91,183</td> </tr> <tr> <td>2019-2020</td> <td style="text-align: right;">20,92,67,788</td> </tr> <tr> <td><b>Total*</b></td> <td style="text-align: right;"><b>2,16,17,23,460</b></td> </tr> </tbody> </table>	Maturity Year	Amount	2021-2022	99,22,64,489	2020-2021	96,01,91,183	2019-2020	20,92,67,788	<b>Total*</b>	<b>2,16,17,23,460</b>		
Maturity Year	Amount											
2021-2022	99,22,64,489											
2020-2021	96,01,91,183											
2019-2020	20,92,67,788											
<b>Total*</b>	<b>2,16,17,23,460</b>											
The Coupon (interest) on Market Linked Debentures are based on the movement of Nifty 50 index as the underlying reference price.												
* It includes current maturities of Market linked Debentures amounting to ₹. 20,92,67,788/- (Previous year ₹. 4,06,47,923/-) grouped under other current liabilities (refer note no 10).												
<b>Term Loans</b>												
<b>(a) From Banks</b>												
Vehicle Loan from Axis Bank Ltd	-	7,39,846										
(Vehicle loan is secured against hypothecation of vehicle purchased there against) ( This is payable in equated installments upto 59 Months period from date of loan commencing on 15 February 2015 and carry an interest of 10.26% p.a)												
South Indian Bank	13,65,18,725	-										
(Secured by Corporate Guarantee of Centrum Capital and owned Property) (Term loan is repayable in 180 months and carrying a interest rate @ 10.70%)												
<b>(b) From Others Parties</b>												
Vehicle Loan from Kotak Mahindra Prime Ltd	3,81,634	-										
(Vehicle loan is secured against hypothecation of vehicle purchased there against) ( This is payable in equated installments upto 3 Years period from date of loan commencing on 21 August 2018 upto 5 August 2021 and carry an interest of 9.42% p.a)												
<b>TOTAL</b>	<b>2,08,93,56,031</b>	<b>1,36,16,14,337</b>										





<b>Note 6 : Other Long-term liabilities</b>		
Provision for rent equalisation	-	3,03,439
Interest accrued but not due on Market linked debentures	32,41,26,664	7,40,88,452
Other non-current liabilities	38,97,02,518	64,08,78,884
<b>TOTAL</b>	<b>71,38,29,182</b>	<b>71,52,70,775</b>
<b>Note 7 : Long-term provisions</b>		
<u>Provision for employment benefits</u>		
Compensated Absences	22,66,404	27,97,747
<b>TOTAL</b>	<b>22,66,404</b>	<b>27,97,747</b>
<b>Note 8 : Short-term borrowings</b>		
<u>Secured Loans</u>		
<b>Repayable on Demands From Banks</b>		
Federal Bank Limited	-	13,14,16,714
(Secured against Fixed Deposit)		
<u>Unsecured Loans</u>		
<b>From Related Parties</b>		
Centrum Investment Advisors Ltd (refer note: 27)	1,00,00,000	-
<b>Inter Corporate Deposit</b>	3,55,00,000	85,08,00,000
<b>TOTAL</b>	<b>4,55,00,000</b>	<b>98,22,16,714</b>
<b>Note 9 : Trade payables</b>		
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Dues to related parties (refer note: 27)	11,55,588	87,77,065
Others	1,58,91,940	69,86,069
<b>TOTAL</b>	<b>1,70,47,528</b>	<b>1,57,63,134</b>
<b>Note 10 : Other current liabilities</b>		
Current Maturities of Long Term Debt	42,25,171	9,30,104
Non Convertible Market Linked Debentures	20,92,67,788	4,06,47,924
Embedded Derivative Portion in Market Linked Debentures	2,01,75,320	98,28,807
Interest accrued & due on borrowings	-	7,13,90,632
Interest accrued but not due on borrowings	2,54,47,818	31,71,512
<b>Other Payable</b>		
For Expenses	12,05,861	6,86,593
Statutory Dues Payable	1,09,79,295	2,19,14,540
Book Overdraft	-	9,78,96,519
<b>TOTAL</b>	<b>27,13,01,254</b>	<b>24,64,66,631</b>
<b>Note 11 : Short-term provisions</b>		
<u>Provision for employment benefits</u>		
Gratuity	13,74,710	8,37,544
Compensated Absences	2,14,231	2,97,554
<u>Other</u>		
Provision for Tax [Net of Advance Tax of ₹ 24,05,01,548/- (Previous Year ₹ 4,98,00,380 )]	20,95,44,421	1,65,28,906
<b>TOTAL</b>	<b>21,11,33,362</b>	<b>1,76,64,004</b>



## Note 13: Non-Current Investments in Shares - (At cost)

## (a) Investment in Equity Instruments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Face value per share	
			As At	As At			As at	As At
			March 31,2019	March 31,2018			March 31,2019	March 31,2018
(a)	Investment in Equity Instruments							
1	CentrumDirect Limited	Subsidiary	-	55,25,845	Unquoted	Fully paid	10	1,16,67,03,706
2	Centrum Insurance Brokers Limited	Subsidiary	1,03,99,996	65,00,000	Unquoted	Fully paid	10	10,39,99,960
3	Centrum Wealth Management Limited	Subsidiary	1,31,18,000	2,00,00,000	Unquoted	Fully paid	10	20,96,91,230
4	Centrum Securities Pvt. Ltd.	Subsidiary	-	3,27,60,000	Unquoted	Fully paid	10	32,76,00,000
5	Centrum Investment Advisors Ltd	Associate	2,45,000	-	Unquoted	Fully paid	10	35,28,00,000
6	Centrum Broking Ltd	Associate	94,50,000	-	Unquoted	Fully paid	10	19,84,50,000
	<b>Total</b>							<b>1,87,90,03,706</b>

## (b) Investment in share warrants

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Face value	
			As At	As At			As at	As At
			March 31,2019	March 31,2018			March 31,2019	March 31,2018
1	Centrum Wealth Management Limited	Subsidiary	1	-	Unquoted	Fully Paid	10,00,000	10,00,000

## (c) Investment in Property

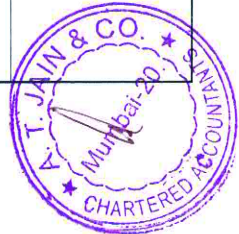
Non-Current Investment in Building		At at	As at
		March 31st 2019	March 31st 2018
Investment Property			
Land and Building		10,55,33,000	10,55,33,000
Less: Accumulated Depreciation		17,58,883	17,58,883
Less: Transferred to Property Plant and Equipment		10,37,74,117	-
Carrying value of Investment property		-	10,37,74,117

Particulars	As At	As At
	March 31,2019	March 31,2018
Aggregate Value of Quoted Investments [Market value -Rs. Nil, previous year - Rs. Nil]	-	-
Aggregate Value of Unquoted Investments	86,59,41,190	1,87,90,03,706
<b>Total</b>	<b>86,59,41,190</b>	<b>1,98,27,77,823</b>

## Note 15: Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Face value	
			As At	As At			As at	As At
			March 31,2019	March 31,2018			March 31,2019	March 31,2018
	Investment in Mutual Funds							
1	Yes Bank Liquid Plan Growth	Others	202	202	Quoted	-	2,02,007	-
2	ICICI Prudential Liquid Plan Growth	Others	3,644	3,644	Quoted	-	-	9,01,052
	Investments in Bonds							
3	Maharashtra State Development Plan - Coupon rate - 7.58%	Others	75,000	-	Quoted	100	73,93,867	-
	<b>Total</b>						<b>75,95,874</b>	<b>9,01,052</b>

Particulars		As At	As At
		March 31,2019	March 31,2018
Aggregate Value of Quoted Investments [Market value of Rs. 75,96,394/- (Previous year - Rs.9,34,31,37/-)]		75,95,874	9,01,052
Aggregate Value of Unquoted Investments		-	-
<b>Total</b>		<b>75,95,874</b>	<b>9,01,052</b>





**CENTRUM RETAIL SERVICES LTD**  
**Financial Year 2018-19**

**Notes forming part of the financial statements**

**Note 12: Fixed Assets**

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Opening Balance	Additions / Capitalisations	Disposal/ Transfer	Closing Balance	Opening Balance	Depreciation charge for the year	Disposal/ Transfer	Balance as at 31st March 2019	Balance as at 31st March 2018
<b>Property, Plant and Equipment</b>									
Land & Building*	-	10,37,74,117	-	10,37,74,117	-	17,58,883	-	10,20,15,234	-
Leasehold Improvements	57,04,554	2,20,00,508	57,04,554	2,20,00,508	11,57,508	69,66,828	11,57,508	1,50,33,680	45,47,045
Electrical Equipment	1,15,051	-	1,15,051	-	15,458	-	15,458	-	99,594
Furniture & Fixtures	23,85,097	17,29,000	-	41,14,097	1,11,375	3,55,497	-	36,47,225	22,73,722
Vehicles	1,34,12,506	9,67,090	42,501	1,43,37,095	19,28,467	16,57,527	-	1,07,51,101	1,14,84,039
Office Equipment	51,02,640	22,02,441	-	73,05,081	3,07,982	12,69,448	-	57,27,651	47,94,658
Computer	37,31,344	11,87,442	-	49,18,786	7,16,056	12,52,006	-	29,50,724	30,15,288
<b>Total</b>	<b>3,04,51,192</b>	<b>13,18,60,598</b>	<b>58,62,106</b>	<b>15,64,49,684</b>	<b>42,36,846</b>	<b>1,32,60,189</b>	<b>11,72,966</b>	<b>1,63,24,069</b>	<b>2,62,14,346</b>
Previous Year	1,25,23,111	1,79,28,081	-	3,04,51,192	15,47,191	26,89,655	-	42,36,846	2,62,14,346
<b>Intangible Assets</b>									
Computer Software	47,78,415	-	-	47,78,415	2,41,016	4,54,259	-	6,95,274	40,83,142
<b>Total</b>	<b>47,78,415</b>	<b>-</b>	<b>-</b>	<b>47,78,415</b>	<b>2,41,016</b>	<b>4,54,259</b>	<b>-</b>	<b>6,95,274</b>	<b>45,37,399</b>
Previous Year	1,05,746	46,72,669	-	47,78,415	2,773	2,38,243	-	2,41,016	45,37,399
<b>Capital Work In Progress</b>									
Capital Work In Progress	2,20,00,508	-	2,20,00,508	-	-	-	-	-	2,20,00,508
<b>Total</b>	<b>2,20,00,508</b>	<b>-</b>	<b>2,20,00,508</b>	<b>2,20,00,508</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,20,00,508</b>
Previous Year	-	2,20,00,508	-	2,20,00,508	-	-	-	-	-
<b>Intangible Assets Under Development</b>									
Intangible Assets Under Development	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Previous Year	26,27,500	6,78,382	33,05,882	-	-	-	-	-	-
<b>Total F.Y. 2018-19</b>	<b>5,72,30,115</b>	<b>13,18,60,598</b>	<b>2,78,62,614</b>	<b>16,12,28,099</b>	<b>44,77,862</b>	<b>1,37,14,447</b>	<b>11,72,966</b>	<b>1,70,19,343</b>	<b>14,42,08,757</b>
<b>Total F.Y. 2017-18</b>	<b>1,52,56,357</b>	<b>4,52,79,640</b>	<b>33,05,882</b>	<b>5,72,30,115</b>	<b>15,49,964</b>	<b>29,27,898</b>	<b>-</b>	<b>44,77,862</b>	<b>3,07,51,745</b>

\* During the financial year 2018-19, the management decided to classify Investment property to Property plant and equipment, as it is intended to use for administrative purposes with effect from 1st April, 2018 and therefore a addition of Rs. 10,37,74,117 ( net of depreciation of Rs. 17,58,833) is made under Building



Particulars	As at March 31,2019 ₹	As at March 31,2018 ₹
<b>Note 14 : Long-term loans and advances</b> (Unsecured, considered good, Unless Otherwise Specified) Loans and Advances to Others	2,14,67,752	3,00,00,000
<b>Other loans and advances</b> Deposits MAT Credit Entitlement	6,26,44,169 3,11,98,085	1,89,87,500 58,91,548
<b>TOTAL</b>	<b>11,53,10,006</b>	<b>5,48,79,048</b>
<b>Note 16 : Inventories (at cost or Net Realizable Value whichever is lower)</b> Commercial paper - IL& FS	1,00,000	-
<b>TOTAL</b>	<b>1,00,000</b>	<b>-</b>
<b>Note 17 : Trade Receivables</b> (Unsecured, Considered Good, Unless Otherwise Specified) Debt Outstanding for period Exceeding Six months Others	34,304 9,54,02,445	1,57,500 13,31,33,869
<b>TOTAL</b>	<b>9,54,36,749</b>	<b>13,32,91,369</b>
<b>Note 18 : Cash and Cash Equivalents</b> <u>Balances with banks</u> In Current Accounts Cash in Hand <u>Other Bank Balances</u> Earmarked Balances With Banks*	45,90,201 68,501 7,86,03,920	- 46,611 - -
*The Company has deposited Rs. 7,86,03,920 under an Escrow agreement with Yes Bank Ltd towards any future occurrence of loss or liabilities arising from any Govt. Authority / tax authorities applicable to the divested entity Centrum Direct Limited.		
<b>TOTAL</b>	<b>8,32,62,622</b>	<b>46,611</b>
<b>Note 19 : Short-term loans and advances</b> (Unsecured, Considered Good, Unless Otherwise Specified) Loans and advances to related parties (refer note: 27) Loans and Advances to Others Loans and Advances to Employees & Others Pre-Paid Expenses	83,67,51,892 2,41,14,47,735 9,73,157 5,85,915	1,15,77,39,087 2,39,53,81,654 - 3,13,234
<b>TOTAL</b>	<b>3,24,97,58,699</b>	<b>3,55,34,33,975</b>
<b>Note 20 : Other Current Assets</b> (Unsecured, Considered Good, Unless Otherwise Specified) Interest accrued & due on loans Interest accrued but not due on loans Balance With Revenue Authorities Premium Paid on Exchange Traded Options (net) Margin Placed With Broker Advance for Purchase of shares Other receivables <u>Deposits to related parties*</u> Centrum Financial Services Limited	24,87,67,689 9,98,317 3,56,83,236 9,10,98,593 11,84,76,601 2,50,00,00,000 6,88,20,000 2,00,000	15,03,54,601 53,15,027 - 7,84,23,006 18,89,52,632 - - -
*Deposits to related parties is netted off for marked to market losses of Rs.48,00,000/- pursuant to the short term investment arrangement entered with the related party. ( Refer note 38)		
<b>TOTAL</b>	<b>3,06,40,44,436</b>	<b>42,30,45,266</b>





	As at March 31,2019 ₹	As at March 31,2018 ₹
<b>Note 21 : Revenue from operations</b>		
Income from Business Support Services	17,56,31,972	26,02,24,512
Interest Income	56,62,44,627	21,06,32,223
<b>TOTAL</b>	<b>74,18,76,599</b>	<b>47,08,56,735</b>
<b>Note 22 : Other Income</b>		
Profit on Sale of Investment (net)	1,41,99,494	9,01,052
Rent Income	-	72,96,232
Other Income	6,74,264	8,631
<b>TOTAL</b>	<b>1,48,73,758</b>	<b>82,05,915</b>
<b>Note 23 : Employee benefits Expenses</b>		
Salaries wages and bonus	15,87,65,556	8,84,52,166
Contribution to Provident and Others Funds	55,59,868	49,31,482
Gratuity Expenses	6,52,313	25,07,695
Compensated Absences	-	15,56,290
Staff welfare expenses	35,49,852	19,75,243
<b>TOTAL</b>	<b>16,85,27,589</b>	<b>9,94,22,876</b>
<b>Note 24 : Finance Costs</b>		
(a) Interest Expenses		
(i) to banks	57,15,629	85,29,378
(ii) to others	36,42,90,310	16,80,55,729
(b) Other Borrowing Cost	25,39,231	2,54,736
<b>TOTAL</b>	<b>37,25,45,170</b>	<b>17,68,39,843</b>
<b>Particulars</b>	<b>As at March 31,2019 ₹</b>	<b>As at March 31,2018 ₹</b>
<b>Note 25 : Other Expenses</b>		
<b>Loss on Trading of Securities</b>		
<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Opening	-	-
Add: Purchases	2,69,53,02,000	-
Less: Closing Stock	1,00,000	-
Less: Sale	2,51,87,26,986	-
	17,64,75,014	-
Audit Fees	2,00,000	2,00,000
Information Technology Related Expenses	60,07,552	9,23,680
Traveling and Conveyance	74,53,319	91,92,427
Professional & Legal Fees	7,98,30,879	4,88,79,784
Director Sitting Fees	9,60,000	14,61,000
Rent Rates & Taxes	16,71,40,458	99,48,699
Electricity Expenses	20,06,683	13,97,889
Communication and Internet Expenses	6,75,222	6,92,281
Membership & Subscription	32,679	1,35,292
Business Support Services	2,21,22,766	1,47,42,356
Business Promotion and Advertisement Expenses	15,42,95,651	1,90,08,253
Printing & Stationery	11,05,846	14,69,435
Repair & Maintenance	1,24,53,926	16,62,532
Loss on bad loans	76,84,20,829	-
Training Expenses	13,28,377	1,98,778
Exchange Transaction Charges	8,020	1,21,774
Commission & Brokerage	6,80,55,409	-
Bad Debts Written Off	31,21,532	-
Marked to Market Losses	48,00,000	-
Loss on Sale of Property, Plant and Equipment	36,162	-
Property, Plant and Equipment discarded	45,47,045	-
Other Office Expenses	45,48,463	45,34,689
Miscellaneous Expenses	6,89,965	14,96,316
<b>TOTAL</b>	<b>1,48,63,15,798</b>	<b>11,60,65,185</b>
<b>Note 26 : Exceptional Items</b>		
<b>Particulars</b>	<b>As at March 31,2019 ₹</b>	<b>As at March 31,2018 ₹</b>
Gain on sale of Equity shares of Subsidiary- Centrum Direct Limited (CDL)	3,27,40,95,616	5,63,28,573
Gain on sale of Equity shares of Subsidiary- Centrum Financial Services Limited	-	11,51,49,662
Loss on sale of Equity shares of Subsidiary - Centrum Securities Pvt. Ltd.	-34,10,12,439	-
Loss on sale of Equity shares of Subsidiary - Centrum Wealth Management Limited	-1,64,75,508	-
Surplus attributable to foreign exchange fluctuation on sale of equity shares of subsidiary - CDL	14,68,17,419	-
<b>Total</b>	<b>3,06,34,25,088</b>	<b>17,14,78,234</b>



## **CENTRUM RETAIL SERVICES LIMITED**

### **NOTES FORMING PART OF THE FINANCIAL STATEMENTS:**

#### **Note 1: NATURE OF OPERATIONS**

Centrum Retail Services Limited ('CRSL' or 'the Company') is a Public Limited Company incorporated and domiciled in India. CRSL is in the business of providing common services to group entities, providing outsourcing services to clients in data management and Information Technology, Marketing Services, providing Corporate ICDs and short term lending. The Company also deals in securities. The Company's registered office is in Mumbai, Maharashtra, India.

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The accompanying Financial Statements of the company have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under historical cost convention, on accrual basis of accounting, unless otherwise stated, and comply with the accounting standards notified under Section 133 of the Companies Act, 2013 ('the Act') read together with Rule 3(2) of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Accounting Standards) Amendment Rules, 2016. The accounting policies have been consistently applied by the company and are consistent with those used in previous year.

##### **USE OF ESTIMATES:**

The presentation of Financial Statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that may affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of financial statements. Actual results could differ from those estimated. Any revision to accounting estimates is recognized prospectively in current and future periods.





## **CURRENT NON-CURRENT CLASSIFICATION:**

All assets and liabilities are classified into current and non- current.

### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primarily for the purpose of being traded
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchange or used to settle a liability for at least 12 months after the reporting date

All others assets are classified as non- current.

### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operation cycle.
- b. It is held primarily for the purpose of being trade;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have unconditional right to defer settlement of the liability for at least 12 months after the reporting date terms of the liability that could at the option of counterparty, results in its settlement by the issue of equity instrument do not affect its classification.

All other liabilities are classified as non-current.

## **REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### **i. Revenue from services**

Income from Business Support Services, Consultancy services and other services are accounted on accrual basis.

### **ii. Interest income**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



**iii. Profit and Loss of Sale of Investments**

Profit / Loss earned on sale of Investment is recognized on trade date basis. Profit / Loss on sale of Investment is determined based on weighted average cost of Investments sold.

**iv. Income from Trading in Securities**

Income from trading in securities is accounted for when the risk and rewards of ownership of the securities are passed on to the customer, which is generally on sale of securities or at the time of redemption in case of bonds.

**PROPERTY, PLANT AND EQUIPMENT:**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all expenditure necessary to bring the assets to its working conditions for its intended use. Gains/losses or losses arising from de-recognition of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Capital work in progress comprises of cost of property plant and equipment that are not yet ready for their intended use at the reporting date.

**DEPRECIATION:**

Depreciation on Property, plant and equipment is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013 except for leasehold improvements. In case of assets sold, depreciation is provided up to the date of disposal. Leasehold improvements are amortized over a period of lease or useful life whichever is less. The residual values, useful lives & methods of depreciations of property, plant and equipment are reviewed at each financial year end and adjusted prospectively. The estimated useful lives are as follows:





<b>Particulars</b>	<b>Estimated useful life specified under Schedule II of the Companies Act 2013</b>
Building	60 years
Computers-End user devices such as desktops, laptops etc.	3 years
Computers – Servers and Networks	6 years
Office equipments	5 years
Electrical equipments	10 years
Furniture and Fixtures	10 years
Vehicles	8 years

#### **INTANGIBLE ASSETS:**

##### **COMPUTER SOFTWARE**

The Company capitalizes software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software are carried at cost less accumulated amortization and impairment, if any. The cost of computer software not ready to use before year end are disclosed under Intangible Assets under Development. Software including operating system licenses are amortized over a period of 10 years or its estimated useful life whichever is shorter.

Gains/losses or losses arising from de-recognition of computer software are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### **IMPAIRMENT OF ASSETS:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal / external factors. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is greater of the net selling price and the value in use of those assets. Value in use is arrived at by discounting the estimate future cash flow to their present's value based on an appropriate discount factor. If such recoverable amount of the assets or the recoverable amount of cash generating unit to which the assets belongs is less than its carrying



amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

#### **RETIREMENT AND OTHER EMPLOYMENT BENEFITS:**

The accounting policy followed by the Company in respect of its employee benefit scheme in accordance with Accounting Standard 15 (Revised 2005), is set out below:

- i. Retirement Benefits in the form of Provident fund are a defined contribution scheme and the company has no further obligation beyond the contributions made to the fund. The contributions are charged to the Statement of Profit and Loss on accrual basis.
- ii. Gratuity Liability is a defined benefit obligation and is recorded based on actuarial valuation on projected unit credit method made at the end of the year. The Company makes contribution to a scheme administered by the Life Insurance Corporation of India ('LIC') to discharge the gratuity liability to employees. The gratuity liability and the net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on planned assets and increase in compensation levels. All actuarial gains / losses are immediately charged to the profit and loss account. Further in accordance with provisions of AS 15 (Revised), the Company has obtained the gratuity valuation certificate from the appointed actuary as on March 31, 2019. Actuarial Gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.





- iii. Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.
- iv. All actuarial gains / losses are immediately taken to statement of profit and loss and are not deferred.

#### **BORROWING COST:**

Borrowing Costs are recognized as an expense in the period in which these are incurred. Borrowing costs that are attributable to the acquisition or construction of assets are capitalized as part of the cost of such assets.

#### **LEASES:**

Leases where lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line method over the lease term.

#### **INVENTORIES:**

The securities acquired with the intention of short-term holding and trading positions are considered as inventories and disclosed as current assets. Securities held as inventories are valued at lower of cost and Net realizable value. Net Selling Value is the estimated selling price in ordinary course of business.



### **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

A Provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on estimate of amount required to settle the obligation at the balance sheet date and adjusted to reflect the current best estimates. Contingent assets are neither recognized nor disclosed in the Financial Statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

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

### **INVESTMENTS:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. In case of investments in mutual funds, the net asset value of units declared of mutual funds is considered as the fair value. Current Investments are carried at Lower of Cost and fair value determined on an individual investment basis. Non-current investments are carried at cost.

Investment Property is held to earn rental income or for capital appreciation. Investment property is initially valued at cost including any directly attributable transaction cost. Investment Property is carried at cost less any accumulated depreciation and accumulated impairment losses.





## **TAXATION:**

Provision for current income tax is made in accordance with the Income Tax Act, 1961. Deferred Tax Liabilities and Assets are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### **Current Tax**

Provision for current tax is recognized based on the estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

### **Deferred Tax**

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only when there is a virtual certainty of realization of these assets. Deferred tax assets are reviewed at each balance sheet date and written down or written – up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

### **Minimum Alternative Tax (MAT) Credit**

MAT credit assets is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.



**EARNINGS PER SHARE:**

The company reports basic and diluted earnings per share in accordance with Accounting Standard 20- "Earnings Per share". Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**SEGMENT REPORTING POLICIES:****Identification of segments:**

The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offer different products and serves different markets.

**Allocation of common costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated Items:**

Includes general corporate income and expense items which are not allocated to any business segment.

**Segment Policies:**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

**CASH FLOW STATEMENT:**

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

**CASH AND CASH EQUIVALENTS:**



Cash and cash equivalents include cash in hand and demand deposits with bank.

**MARKET LINKED DEBENTURES:**

The Company have issued Market Linked Debentures (MLD) Secured, Unlisted, Unrated, Redeemable, Non-Convertible Principle Protected Market Linked Debentures Bearing a Face Value Of Rs..1,00,000/- (Rupees One Lakh) each. MLDs coupon rate/payout basis is linked to Nifty 50 Index levels, the Company mitigates the risk on MLD by taking positions in future & options in Nifty 50 Index considering risk analysis of MLD. Further The fair valuation of the MLDs for initial recognition of embedded derivatives and borrowings components as at the date of issue is done considering adjustment to the put/call contracts of Nifty 50 Index, thereby arriving to the embedded derivatives and borrowings. Any gain/loss on these positions are netted against interest expenses on MLD and resultant net loss/gain is recognized in statement of Profit & Loss.

**GENERAL NOTES ON ACCOUNTS:**



Centrum Retail Services Limited

Notes to accounts for the year ended and as at 31 March 2019

Note 27 : RELATED PARTY TRANSACTIONS (as certified by management)

(i) List of Related Parties:

Nature of Relationship	Name of Party
Holding Company	Centrum Capital Limited
Managing Director	Rajnish Bahl
Independent Director	Subhash Kutte
Independent Director	Rajesh Budharani
Chairman(Non-Executive Director)	Steven Pinto
CFO	Narayan Krishnan
Company Secretary	Archana Goyal
Subsidiary	Centrum Wealth Management Ltd
Subsidiary	Centrum Insurance Brokers Ltd
Subsidiary	Centrum Direct Limited ( up to 2nd April 2018)
Step-down subsidiary (Associate effect from 28th March 2019)	Centrum Investments Advisors Limited
Fellow Subsidiary	Centrum Housing Finance Limited
Fellow Subsidiary	Centrum Microcredit Ltd
Fellow Subsidiary	Centrum Alternatives LLP
Fellow Subsidiary	CENTRUM REMA LLP
Fellow Subsidiary (Associate effect from 22nd March 2019)	Centrum Broking Limited
Fellow Subsidiary	Centrum Financial Services Limited
Fellow Subsidiary	Acorn Fund Consultants Private Limited
Subsidiary	Centrum Securities Private Limited(up 29th march 2019)
Entity control by KMP of Ultimat Holding Co Company	JBCG Advisory Services Pvt Ltd
Promoters significance influence	Nanikrami Agro Private Limited
Promoters significance influence	Club7 Holidays Ltd
Promoters significance influence	Axis Spaces Pvt. Ltd.

(ii)

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31 March 2019	Year ended 31 March 2018	As at 31 March 2019	As at 31 March 2018
Centrum Capital Limited	Inter-Corporate Deposits taken	-	3,92,57,84,952	-	-
	Inter-Corporate Deposits repaid	-	4,96,80,61,729	-	-
	Inter-Corporate Deposits given	2,98,05,30,341	-	-	-
	Inter-Corporate Deposits received back	3,63,20,00,000	-	-	-
	Rent Income	1,98,67,557	72,96,232	-	-
	Interest Income	16,05,95,592	-	-	-
	Interest Expenses	-	5,81,47,313	-	-
	Reimbursement of Expenses/Professional Fees	-	82,75,000	-	-
	Income from Services	6,43,01,795	3,44,58,918	-	-
	Reimbursement of Electricity Expenses	12,69,987	-	-	-
	Reimbursement of Telephone Expenses	23,467	-	-	-
	Share in loss from sale of share of subsidiary	2,47,13,262	-	-	-
	Share in Profit from sale of share of subsidiary	5,20,63,69,553	22,53,14,291	-	-
	Rent Expenses	68,70,228	-	-	-
	Investment in Centrum Broking Ltd	19,84,50,000	-	-	-
	Advance against shares	2,50,00,00,000	-	2,50,00,00,000	-
	Loan/Advances receivable	-	-	-	65,14,69,659
Trade Receivable	-	-	9,33,90,143	1,41,18,402	
Interest Payable	-	-	-	(5,23,32,582)	
Sundry Creditors and Other Payable	-	-	-	(87,60,000)	
Guarantee Outstanding as at 31st Mar 2019	14,05,00,000	-	(14,05,00,000)	-	
Rajnish Bahl	Director Remuneration	2,50,00,000	1,35,00,000	-	-
	Sale of Investment to Key Managerial Personnel	63,00,000	-	63,00,000	-
Steven Pinto	-	-	-	-	-
	Director Sitting fees	3,20,000	5,40,300	-	-
Mr. Subhash Kutte	Motor Car Expenses	29,58,738	-	-	-
	-	-	-	-	-
Mr. Rajesh Budharani	Director Sitting fees	4,20,000	-	-	-
	Travelling Expenses	43,256	-	-	-
Mr. Narayan Krishnan	Director Sitting fees	2,20,000	-	-	-
	-	-	-	-	-
Narayan Krishnan	Remuneration	34,02,000	25,20,000	-	-
	Sale of Investment to Key Managerial Personnel	1,50,000	-	1,50,000	-
Archana Goyal	Remuneration	20,46,000	13,20,000	-	-
	-	-	-	-	-
Centrum Wealth Management Ltd	Inter-Corporate Deposits given	2,56,45,50,000	85,56,18,216	-	-
	Inter-Corporate Deposits received back	2,50,38,16,324	35,18,00,000	-	-
	Income from Consultancy Services	-	5,20,85,406	-	-
	Reimbursement of Electricity Expenses	28,46,870	-	-	-
	Reimbursement of Telephone Expenses	56,897	-	-	-



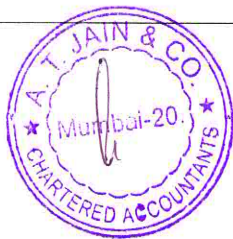


(ii)

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended	Year ended	As at	As at
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Reimbursement of Postage & Courier Expenses	2,19,429	-	-	-
	Reimbursement of Printing & Stationery Expenses	1,89,889	-	-	-
	Brokerage, Commission & Other Expenses	9,94,00,000	-	-	-
	Rent Income	4,06,09,433	-	-	-
	Interest Income	5,78,76,322	72,10,490	-	-
	Purchase of Investment in Centrum Investment Advisors Ltd	35,28,00,000	-	-	-
	Interest Receivable	-	-	-	-
	Loan Receivable	-	-	56,45,51,892	50,38,18,216
	Money Paid Against Share Warrants	10,00,000	-	-	-
	MLD payment on Redemption	2,81,60,200	-	-	-
	Investment as at March 31,2019			20,96,91,230	31,97,00,000
<b>Centrum Insurance Brokers Ltd</b>					
	Inter-Corporate Deposits taken	1,00,00,000	-	-	-
	Inter-Corporate Deposits repaid	1,00,00,000	-	-	-
	Inter-Corporate Deposits Given	50,00,040	7,50,00,000	-	-
	Inter-Corporate Deposits received back	50,00,040	7,50,00,000	-	-
	Interest Expense	92,247	-	-	-
	Interest Income	40,110	9,78,863	-	-
	Investment made in during the year	3,89,99,960	-	-	-
	Rent Income	48,09,518	-	-	-
	Reimbursement of Postage & Courier Expenses	3,156	-	-	-
	Reimbursement of Electricity Expenses	3,39,127	-	-	-
	Reimbursement of Telephone Expenses	6,176	-	-	-
	Income from Consultancy Services	-	48,46,584	-	-
	Investment as on March 31,2019			10,39,99,960	6,50,00,000
<b>Centrum Securities Pvt Ltd.</b>					
	Investment made in during the year	1,34,80,655	-	-	-
	Interest Income	-	3,42,82,288	-	-
	Inter-Corporate Deposits Given	-	13,77,29,500	-	-
	Inter-Corporate Deposits taken back	-	14,80,655	-	-
	Investment as at March 31,2019			-	32,76,00,000
<b>CENTRUM REMA LLP</b>					
	Rent Income	50,13,630	-	-	-
	Reimbursement of Electricity Expenses	3,26,523	-	-	-
	Reimbursement of Telephone Expenses	7,822	-	-	-
	Income from Consultancy Services	-	10,34,152	-	-
	Reimbursement of Expenses/Professional Fees	-	25,89,369	-	-
	Trade Receivable	-	-	-	39,13,403
<b>CENTRUM ALTERNATIVES LLP</b>					
	Rent Income	34,88,574	-	-	-
	Reimbursement of Electricity Expenses	2,07,497	-	-	-
	Reimbursement of Telephone Expenses	4,117	-	-	-
	Reimbursement of Expenses/Professional Fees	-	3,09,375	-	-
	Income from Consultancy Services	-	6,39,490	-	-
	Trade Receivable	-	-	-	10,24,773
<b>Centrum Microcredit Ltd</b>					
	Loan given	1,05,00,00,000	5,00,00,000	-	-
	loan received back	1,05,00,00,000	5,00,00,000	-	-
	Interest Income	8,23,49,570	-	-	-
	Income From Services	52,50,000	23,65,954	-	-
	Interest Receivable	-	-	-	-
	Income from Consultancy Services	-	12,44,400	-	-
	Investment made during the year	-	34,62,31,240	-	-
	Trade Receivable	-	-	-	25,55,228
	Other Expenses Reimbursement Receivables	-	24,51,212	-	-
<b>Centrum Financial Services Limited</b>					
	Interest Received	2,79,35,411	-	-	-
	Interest Expenses	3,58,992	-	-	-
	Professional Fees Expenses	1,54,00,000	1,00,00,000	-	-
	Rent Income	49,31,067	-	-	-
	Reimbursement of Electricity Expenses	10,51,937	-	-	-
	Reimbursement of Postage & Courier Expenses	12,140	-	-	-
	Reimbursement of Telephone & Leased Line Expenses	27,173	-	-	-
	Reimbursement of Printing & Stationery Expenses	7,031	-	-	-
	Rent Expenses	18,18,487	-	-	-
	Income from Consultancy Services	-	46,37,513	-	-
	Inter-Corporate Deposits Given	2,12,50,00,000	3,00,00,000	-	-
	Inter-Corporate Deposits taken back	2,12,50,00,000	3,00,00,000	-	-
	Inter-Corporate Deposits taken	34,56,00,000	7,50,00,000	-	-
	Inter-Corporate Deposits repaid	34,56,00,000	7,50,00,000	-	-
	Interest payable	-	-	-	-
	Security Deposit	59,46,312	-	59,46,312	-
<b>Centrum Housing Finance Ltd</b>					
	Loan given	10,00,00,000	-	-	-
	Loan received back	10,00,00,000	-	-	-
	Interest Income	3,28,767	-	-	-
	Rent Income	65,18,217	-	-	-
	Reimbursement of Electricity Expenses	5,47,495	-	-	-



(ii) Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended	Year ended	As at	As at
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Reimbursement of Telephone Expenses	7,822	-	-	-
	Inter-Corporate Deposits Taken	11,70,00,000	16,50,00,000	-	-
	Inter-Corporate Deposits repaid	11,70,00,000	7,00,00,000	-	-
	Interest Expenses	18,17,260	47,02,465	-	-
	Reimbursement of Expenses/Professional Fees	-	26,55,668	-	-
	Guarantee Outstanding as on 31st Mar 2019	-	-	10,00,00,000	10,00,00,000
<b>Acorn Fund Consultant Pvt Ltd</b>					
	Loan given	4,64,00,000	-	-	-
	Interest Income	15,255	-	-	-
	Reimbursement of Telephone Expenses	1,646	-	-	-
	Interest Receivable	-	-	13,730	-
	Loan and advance receivable	-	-	4,64,00,000	-
<b>Centrum Broking Ltd</b>					
	Commission & brokerage expenses	1,86,55,409	24,31,079	-	-
	DPC Charges	48,116	-	-	-
	Rent Income	1,21,32,362	-	-	-
	Reimbursement of Electricity Expenses	7,43,378	-	-	-
	Income from Consultancy Services	-	71,58,042	-	-
	Reimbursement of Postage & Courier Expenses	14,645	-	-	-
	Reimbursement of Telephone Expenses	22,637	-	-	-
	Reimbursement of Printing & Stationery Expenses	1,468	-	-	-
	Margin Placed with Brokers	-	-	11,84,76,600	-
	Trade Receivable	-	-	-	5,97,465
	Investment made during the year	19,84,50,000	-	-	-
	Investment as at March 31st March 19	-	-	19,84,50,000	-
<b>Centrum Investment Advisors Ltd</b>					
	Inter-Corporate Deposits Taken	1,00,00,000	-	-	-
	Interest Expenses	9,04,384	-	-	-
	Loan Payable	-	-	(1,00,00,000)	-
	Investment made during the year	35,28,00,000	-	-	-
	Investment as at March 31st March 19	-	-	35,28,00,000	-
<b>JBCG Advisory Services Pvt Ltd</b>					
	Inter-Corporate Deposits Taken	-	33,65,00,000	-	-
	Inter-Corporate Deposits repaid	33,65,00,000	-	-	-
	Interest Expenses	76,74,631	-	-	-
<b>Club7 Holidays Ltd</b>					
	Travelling Exp	32,12,676	44,73,698	-	-
	Car Hire Expenses	29,58,738	-	-	-
	Sundry Creditors and Other Payable	-	-	(7,23,588)	(17,065)
<b>Axis Spaces Pvt Ltd</b>					
	Inter-Corporate Deposits given	22,08,00,000	5,00,00,000	-	-
	Inter-Corporate Deposits received back	4,50,00,000	-	-	-
	Interest Income	1,04,37,304	22,84,931	-	-
	Loan Receivable	-	-	22,58,00,000	5,00,00,000
	Interest Receivable	-	-	1,14,50,013	20,56,439
<b>Nanikrami Agro Private Limited</b>					
	Managed Services (Operation/ Support)	52,00,000	-	-	-
	Sundry Creditors	-	-	(4,32,000)	-
<b>Centrum Direct Ltd</b>					
	Income from Consultancy Services	-	2,49,67,485	-	-
	Reimbursement of Expenses/Professional Fees	-	2,58,07,693	-	-
	Travelling expenses / Foreign Travelling	-	4,315	-	-
	Trade Receivable	-	-	-	41,16,569
	Motor Car Purchase	-	70,52,966	-	-
	Lease Hold Under Development (Assets Purchase)	-	1,85,65,391	-	-
	Electrical Equipments (Assets Purchase)	-	13,17,393	-	-
	Investment as at March 31,2019	-	-	-	1,16,67,03,706





**Note 28 : Employee Benefits**

The following table summaries the components of net benefit expense recognized in the Profit and Loss account and funded status and amount recognized in the balance sheet for gratuity.

Actuarial Assumptions	For the Year Ended	For the Period Ended
	31-Mar-19	31-Mar-18
Discount rate Current Year	7.79%	7.87%
Expected rate of return on assets	7.79%	7.87%
Salary escalation	6.00%	6.00%
Attretion Rate Current Year	2.00%	2.00%

Reconciliation of opening and closing balances of defined benefit obligation	For the Year Ended	For the Year Ended
	31-Mar-19	31-Mar-18
Opening defined benefit obligation	64,21,650	42,09,357
Interest cost	5,05,384	3,16,544
Current service cost	16,36,644	8,74,782
Past service cost (non vested benefit)	Nil	Nil
Past service cost (vested benefit)	Nil	3,55,366
Liability transfer in	Nil	Nil
Liability transfer out	Nil	Nil
Benefit Paid Directly by the Employer	Nil	(2,15,383)
Benefit paid	(3,56,747)	Nil
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	53,276	-2,55,019
Actuarial (Gains)/Losses on Obligations - Due to Experience	(12,29,265)	11,36,003
Defined benefit obligation at the end of the year	70,30,942	64,21,650

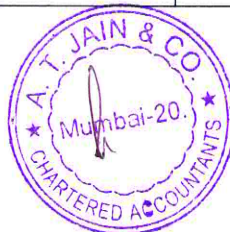
Changes in the fair value of plan assets are as follows	For the Year Ended	For the Year Ended
	31-Mar-19	31-Mar-18
Opening fair value of plan assets	55,84,107	35,60,913
Expected Return on Plan Assets	4,39,469	2,67,781
Contributions by employer	1,15,148	17,78,447
Transfer from other Company	Nil	Nil
Transfer to other Company	Nil	Nil
Benefit Paid from the Fund	(3,56,747)	Nil
Actuarial gain/(loss) on Plan Assets	(1,25,745)	(23,034)
Fair value of plan assets at the end of the year	56,56,232	55,84,107
Total Actuarial Gain / (Loss) to be recognized	(1,25,745)	(23,034)

Actual Return on Plan Assets	For the Year Ended	For the Year Ended
	31-Mar-19	31-Mar-18
Expected Return on Plan Assets	4,39,469	2,67,781
Actuarial gain/(loss) on Plan Assets	(1,25,745)	(23,034)
Actual Return on Plan Assets	3,13,724	244747

Amount recognized in the Balance Sheet	For the Year Ended	For the Year Ended
	31-Mar-19	31-Mar-18
Defined benefit obligation at the end of the year	(70,30,942)	(64,21,650)
Fair Value of Plan Assets at the end of the year	56,56,232	55,84,107
Amount recognized in the Balance Sheet	(13,74,710)	(8,37,543)

Expenses recognised in the income statement	For the Year Ended	For the Year Ended
	31-Mar-19	31-Mar-18
Current service cost	16,36,644	8,74,782
Interest cost	65,915	48,763
Past Service Cost ( non vested Benefit) Recognised	Nil	Nil
Past Service Cost ( vested Benefit ) Recognised	-	3,55,366
Amount not recognised as asset	Nil	Nil
Actuarial gain or loss	(10,50,244)	9,04,018
Expenses recognised in P & L	6,52,315	21,82,929

Balance Sheet Reconciliation	As at	As at
	31-Mar-19	31-Mar-18
For the year ended Mar 31, 2018	8,37,543	6,48,444
Opening net liability	Nil	Nil
Expense Recognized in Statement of Profit or Loss	6,52,315	21,82,929
Benefit Paid Directly by the Employer	-	(2,15,383)
Employers contribution	(1,15,148)	(17,78,447)
Amount recognised in Balance Sheet	13,74,710	8,37,543



Centrum Retail Services Private Limited  
Notes Forming part of the Financial Statements

Note No. 29 Segment Information

Primary Segment (Business Segment)

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

- 1) Business Support Services, Facility Management Services and other Support services
- 2) Financial activities

Income from each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

**Secondary Segment**

Since the business operations of the group are primarily concentrated in India, the company is considered to operate only in domestic segment.

Segment wise details are given in Annexure 1

Annexure 1 Information about primary business segments

Particulars	Business Support Services	Financial activities	Total
<b>Revenue</b>			
Income from operations	17,56,31,972	49,94,82,397	67,51,14,369
Inter segment revenue	-	-	-
<b>Total revenue</b>	<b>17,56,31,972</b>	<b>49,94,82,397</b>	<b>67,51,14,369</b>
<b>Expenditure</b>			
Segment Result	29,05,85,368	1,39,71,75,346	1,68,77,60,714
Unallocable Corporate Income	(11,49,53,396)	(89,76,92,949)	(1,01,26,46,345)
	-	-	1,42,50,744
Unallocable Corporate Expenditure	-	-	34,76,26,661
<b>Operating Profit</b>			<b>(1,34,60,22,262)</b>
Less: Interest expense not allocable to Segment	-	-	57,15,629
Add: Interest Income not allocable to Segment	-	-	6,73,85,244
Profit/(Loss) before taxation, prior period items & extraordinary items	-	-	(1,28,43,52,646)
Exceptional Items	-	-	3,06,34,25,088
Add/(Less) : Income Taxes - Current Tax	-	-	(38,79,74,281)
- Tax expenses/(credit) relating to prior years	-	-	(5,14,179)
- MAT Credit Entitlement	-	-	2,53,06,537
- Deferred tax	-	-	(32,03,905)
<b>Profit/ Loss for the Year</b>			<b>1,41,26,86,614</b>
<b>Other Information</b>			
Segment assets	15,24,56,811	3,61,54,43,917	3,76,79,00,728
Unallocable Corporate Assets	-	-	4,87,61,42,912
<b>Total Assets</b>			<b>8,64,40,43,640</b>
Segment liabilities	1,58,91,940	2,96,66,75,780	2,98,25,67,720
Other unallocated liabilities	-	-	37,10,69,945
<b>Total liabilities</b>			<b>3,35,36,37,665</b>
Capital expenditure	-	-	60,85,973
Depreciation	-	-	1,37,14,447
Amortisation	-	-	-





### 30. Operating Lease

#### Lessee

The Company has taken various premises on operating lease. Gross rental expenses for the year ended 31<sup>st</sup> March 2019 aggregated to Rs. 13,01,28,868/- (Previous Year – Rs. 76,81,312/-) which has been included under the head Rent, Rates & Taxes in the Statement of Profit & Loss.

Details of future minimum lease payments for non-cancellable operating leases are as follows:

Future minimum lease payments	As at March 31, 2019	As at March 31, 2018
Payment not later than one year	7,60,46,148	4,58,71,500
Payment later than one year but not later than five years	7,68,13,632	8,73,24,187
Payment later than five years	30,30,810	-

### 31. Auditors Remuneration: ( Exclusive of GST/ Service tax)

Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
Statutory Audit	2,00,000	2,00,000
Tax Audit	20,000	20,000
<b>Total</b>	<b>2,20,000</b>	<b>2,20,000</b>



**32. Earnings per share:**

In accordance with Accounting Standard 20-“Earning Per Share” prescribed by companies (Accounts) Rule, 2014 the computation of earnings per share is set out below:

Particulars		For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
a.	Shareholders Earnings after tax ( as per statement of profit and loss)	1,41,26,86,614	20,04,43,421
b.	Calculation of weighted average number of equity shares of Rs. 10 each:		
	Number of shares outstanding at the beginning of the year	3,55,46,535	3,63,36,270
	Total number of equity shares outstanding at the end of the year	3,55,46,535	3,55,46,535
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	3,55,46,535	3,63,03,815
c.	Number of dilutive potential equity shares	-	-
	Earnings per share		
d.	Basic (in Rs) {a/b}	39.74	5.52
e.	Diluted (in Rs.) {a/(b+c)}	39.74	5.52

**33. Deferred Tax Liability / (Assets):**

In accordance with Accounting Standard 22 on Accounting for Taxes on Income, the Company has made adjustments in its accounts for deferred liabilities/assets.

Particulars	In (Rs.)	In (Rs.)
<b>Deferred Tax Liability / (Assets) on Account of:</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Difference between book and Tax depreciation	42,76,462	-
On Account of Provision for Gratuity	(3,82,444)	-
On Account of Provision for Leave Encashment	(6,90,113)	-
<b>Deferred Tax Liability as at year end</b>	<b>32,03,905</b>	<b>-</b>





### 34. **Debenture Redemption Reserve**

The Company has issued Market Linked Debentured (MLDs) worth Rs. 51,37,00,000/- during the year (Previous year Rs.2,05,18,00,000/-). As per Sec.71 (4) r.w. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013, the company is required to create Debenture Redemption Reserve (DRR) out of the profits available for payment of dividend @ 25% of the value of debentures issued. During the year, company has transferred Rs. 32,48,94,749/- (Previous year Rs. 31,64,80,251/-) to Debenture Redemption Reserve (DRR) out of which Rs.19,64,69,749 pertains to previous year shortfall and the balance amount of Rs. 12,84,25,000/- towards current year issue.

Company has redeemed debentures amounting to Rs. 4,75,00,000 during the year and has transferred an amount of Rs. 1,18,75,000 to General Reserves from Debenture Redemption Reserves, amount equal to the Debenture Redemption Reserve created on issue of such debentures.

### 35. **Exceptional Items:**

#### **Financial Year 2018-19**

- During the current year the Company has sold its stake in Centrum Direct Limited to Goldman Securities Pvt. Ltd. vide share purchase agreement dated 2nd April 2018 read with the Deed of Assignment dated 15 May 2018. The Company has disclosed gain of Rs. 3,27,40,95,616/- (net of expenses) and related foreign exchange gain of Rs. 14,68,17,419/- as exceptional item in Statement of Profit and Loss.
- During the current year the Company has sold its stake in Centrum Securities Private Limited for a sales consideration of Rs. 68,216/- and has made a loss of Rs. 34,10,12,439/-.
- During the current year the Company has divested its 34.41% stake in Centrum Wealth Management Limited for a sales consideration of Rs.6,88,20,000/- and has made a loss of Rs.1,64,75,508/-.



### **Financial year 2017-18**

- The Company had sold its 3.72% stake in Centrum Direct Limited to Evolve India Fund vide share purchase agreement dated 14<sup>th</sup> June, 2017 for gross sales proceeds of Rs.33,50,00,453/- .The Company made gain of Rs. 5,63,28,572/- in this sale.
- The Company had sold its stake of 3,68,83,420 -number of equity shares in Centrum Financial Services Limited to Centrum Capital Limited for gross sales proceeds of Rs.1,12,17,73,465 /- vide share purchase agreement dated 09<sup>th</sup> March, 2018 and booked a gain of Rs.11,51,49,662.

### **36. Other Expenses**

- During the current year the Company has assigned loan including interest receivable amounting to Rs.77,84,20,829/- (including interest of Rs.419,20,829/-) for a consideration of Rs.1,00,00,000/-.

### **37. Investments:**

- The Company has entered into share purchase agreement with Centrum Capital Limited for purchase of 100% Equity in Centrum Financial Services limited; consisting of 9,89,56,942 fully paid equity shares of Rs.10/- each vide Share Purchase Agreement dated 1st March 2019. The Company has paid Rs.2,50,00,00,000/- as advance against Purchase Consideration. Balance consideration would be determined based on the book value of Centrum Financial Services Limited as on 31st March 2019 derived from the its audited financials as on that date. The share purchase agreement is subject to approval of RBI.
- The Company has acquired 48.99% stake in Centrum Broking Limited from its Holding Company, Centrum Capital Limited vide Share Purchase Agreement dated 22nd March 2019 purchasing of 94,50,000 fully paid up equity shares of Rs.10/- each at a consideration of Rs.19,84,50,000/-.
- During the year, the company has purchased 1 (One Only) share warrant convertible into Equity Shares, in its subsidiary company Centrum Wealth Management Limited. Each Warrant is convertible into either i) 1,00,000 equity share of Rs. 10 each pari – passu in all respect including dividend & voting rights with existing equity shares of the company





or ii) into 1,00,000 equity shares having Differential Voting Rights of the company having face value of Rs.10 (Rupees Ten Only) each (“DVR Equity Shares”). (such that the DVR Equity Shares shall carry voting rights in all general meetings (including extraordinary and annual meetings) of at least 74% (Seventy – Four Percent) of the total paid up voting share capital of the company on a fully diluted basis being valid for a period of 5 (five) years or such other maximum period as permissible under the applicable law.

38. The Company has entered into an arrangement with a fellow subsidiary Centrum Financial Services Ltd for a short – term investment project as per MOU dated 1<sup>st</sup> October,2018.

**39. Contingent Liabilities and Commitments:**

The company has given a corporate guarantee in favour of DCB Bank Ltd. as security for the various credit facilities aggregating Rs.10,00,00,000/- (Rupees Ten Crores Only) to M/s Centrum Housing Finance Ltd., on the terms, conditions & securities stipulated in the Bank’s sanctioned letter no. CAD/CB/288/2016-17 dated 30/03/2017.

**40. Details of due to micro, small and medium enterprises**

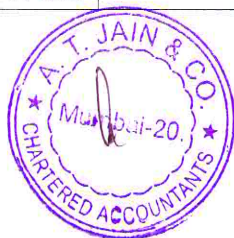
Trade payable includes .Rs. Nil (Previous year Rs. Nil) payable to “Suppliers” registered under the Micro, Small and Medium enterprises Development Act, 2006. No interest has been paid/ is payable by the company during the year to “Suppliers’ registered under this Act. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicability under the said Act



#### 41. Details of Derivative Instruments

Details of Open Interest in Equity Index Options as at 31<sup>st</sup> March, 2019 (At Fair Value)

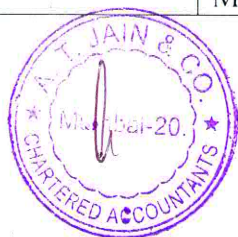
Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 20DEC8100PUT	>10 Months	-	-	28,425	51,30,712.50
NIFTY 20DEC8300PUT	>10 Months	2,100	4,07,400	-	-
NIFTY 20DEC9500PUT	>10 Months	3,750	7,87,500	-	-
NIFTY 20DEC9800PUT	>10 Months	-	-	17,100	4,582,800
NIFTY 20DEC10000PUT	>10 Months	-	-	7,500	2,302,500
NIFTY 20DEC11000PUT	>10 Months	-	-	11,250	6,558,750
NIFTY 20JUN9800CALL	>10 Months	8,250	1,50,97,500	-	-
NIFTY 20JUN10000CALL	>10 Months	45,450	10,02,62,700	-	-
NIFTY 20JUN7800PUT	>10 Months	10,200	12,75,000	-	-
NIFTY 20JUN8100PUT	>10 Months	3,075	3,11,190	-	-
NIFTY 20JUN8300PUT	>10 Months	15,000	21,75,000	-	-
NIFTY 20JUN9500PUT	>10 Months	7,650	15,68,250	-	-
NIFTY 20JUN9800PUT	>10 Months	-	-	10,200	3,019,200
NIFTY 20JUN10000PUT	>10 Months	-	-	3,075	922,500
NIFTY 20JUN10400PUT	>10 Months	-	-	9,375	4,687,500
NIFTY 20JUN10600PUT	>10 Months	-	-	15,000	4,680,000
NIFTY 19JUN10800CALL	<10 Months	225	1,55,700	-	-





Details of Open Interest in Equity Index Options as at 31<sup>st</sup> March, 2018 are as below:

Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 18DEC9500PUT	<10 Months	150	34,800	-	-
NIFTY 18DEC10200PUT	<10 Months	-	-	13,500	47,14,200
NIFTY 20DEC8100PUT	>10 Months	-	-	28,425	14,82,363
NIFTY 20DEC8300PUT	>10 Months	2,100	1,36,605	-	-
NIFTY 20DEC9500PUT	>10 Months	3,750	7,42,687	-	-
NIFTY 20DEC9800PUT	>10 Months	-	-	17,100	42,63,030
NIFTY 20DEC10000PUT	>10 Months	-	-	7,500	21,60,375
NIFTY 20DEC11000PUT	>10 Months	-	-	11,250	60,82,875
NIFTY 20JUN9800CALL	>10 Months	8,250	1,72,12,800	-	-
NIFTY 20JUN10000CALL	>10 Months	45,450	8,91,16,087	-	-
NIFTY 20JUN7800PUT	>10 Months	10,200	3,18,750	-	-
NIFTY 20JUN8100PUT	>10 Months	3,075	1,42,526	-	-
NIFTY 20JUN8300PUT	>10 Months	15,000	8,88,750	-	-
NIFTY 20JUN9500PUT	>10 Months	7,650	15,32,295	-	-
NIFTY 20JUN9800PUT	>10 Months	-	-	10,200	26,19,360
NIFTY 20JUN10000PUT	>10 Months	-	-	3,075	9,23,115
NIFTY 20JUN10400PUT	>10 Months	-	-	9,375	37,51,875
NIFTY 20JUN10600PUT	>10 Months	-	-	15,000	68,55,000



42. The company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) have been made in the books of accounts.
43. Supreme Court has passed a judgment dated 28 February 2019 relating to the components of salary structure that needs to be taken into account while computing the contribution to provident fund under the Employees Provident Fund Act. There are interpretative aspects related to the judgement including the effective date of application. The Company will continue to assess the further developments in this matter for their implication on financial statements, if any.
44. Previous year figures are re-grouped/re-arranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For A.T Jain & Co.  
Chartered Accountants  
Firm Registration No. 103886W



Membership Number: 033809  
Place: Mumbai




For and on behalf of the Board of  
Centrum Retail Services Limited



Steven Pinto  
Chairman  
DIN : 00871062

Rajnish Bahl  
Director  
DIN : 01699047



Narayan Krishnan  
CFO



Archana Goyal  
Company Secretary