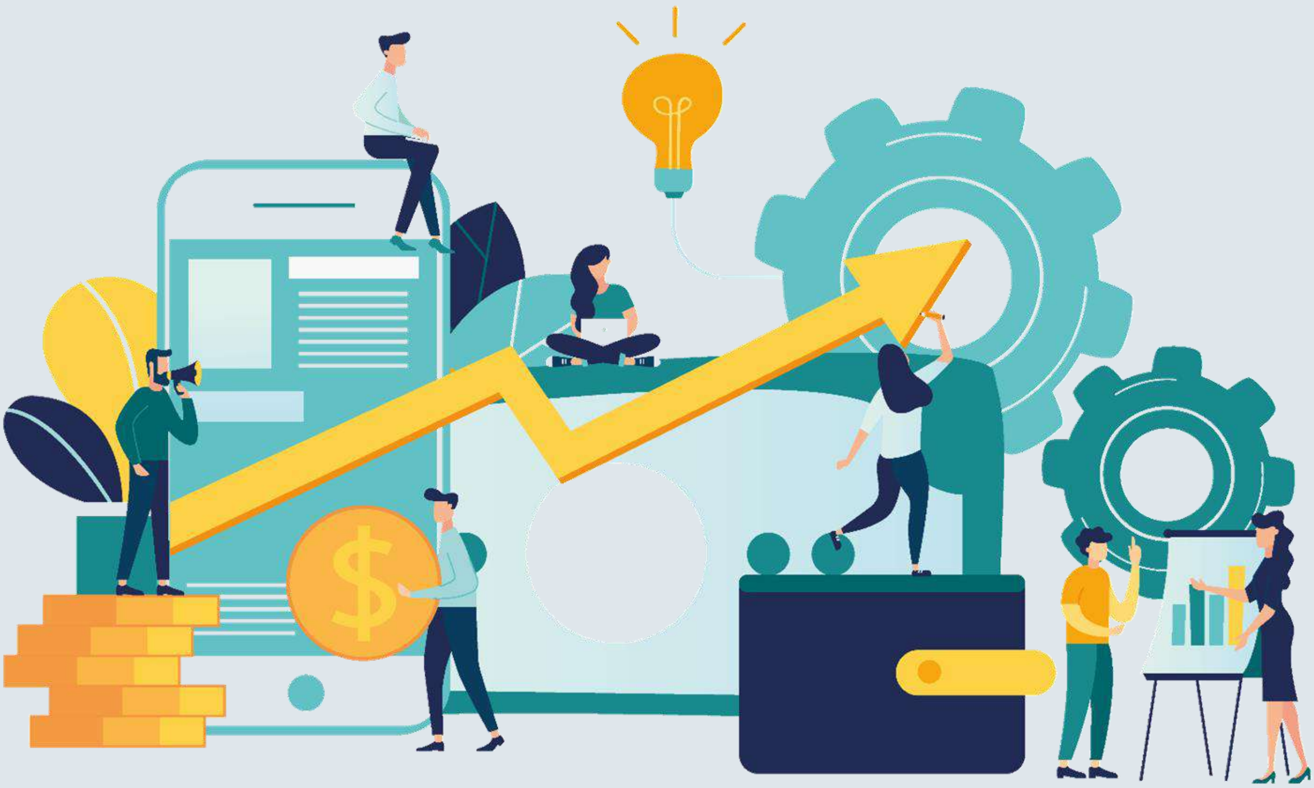

CENTRUM RETAIL SERVICES LIMITED

ANNUAL REPORT 2020-21

Board of Directors

Mr. Steven Pinto
Non-executive Director

Mr. Kapil Bagla
Managing Director

Mr. Subhash Kutte
Independent Director

Mr. Rajesh Budhrani
Independent Director

Key Managerial Personnel
(other than ED & CEO)

Mr. Gaurav Goyal
Chief Financial Officer

Ms. Archana Goyal
Company Secretary

Corporate Information

Registered Office and Corporate Office:
Centrum House, C.S.T Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai 400098.
Tel – 022 – 42159000

Email – info@centrum.co.in
cs@centrum.co.in

Corporate Identification Number:
U74999MH2014PLC256774

Statutory Auditors:
M/s. A.T. Jain and Co., Chartered Accountants

Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli (W), Mumbai-400083

NSDL Database Management Limited
4th Floor, Trade World A Wing,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013.

Directors Report

DIRECTORS' REPORT

To
The Members
Centrum Retail Services Limited

Your Directors are pleased to present their Seventh Annual Report together with the audited accounts of the Company for the year ended as on March 31, 2021.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Gross Income from operations	7,783.38	7,621.98
Profit (Loss) before tax	(989.77)	(256.24)
Less: Provision for Taxation	269.37	152.14
Profit (Loss) after tax	(1,259.14)	(408.38)
Balance of profit/ (loss) for earlier years	9,870.74	10,332.42
Remeasurement of Post-Employment benefits obligations (net of tax)	5.85	(14.93)
Transfer From Retained Earnings	-	-
Ind-As adjustments in Retained earnings.	-	(38.37)
Balance carried forward	**8,617.46**	**9,870.75**

FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The Gross income (standalone) from operations of the Company is ₹ 7,783.38/- lakhs in 2020-21 as against ₹ 7,621.98/- lakhs in the previous year 2019-20. The net loss after tax for the year under review of ₹ (1,259.14) Lakhs in 2020-21 as against net loss of ₹ (408.38) Lakhs in 2019-20.

COVID-19 impact

The outbreak of the deadly COVID-19 virus and the ensuing lockdown imposed across the country affected business operations. The health of the employees and workers became a priority for the Company. Stoppage of operations for an uncertain period resulted in a large financial burden and COVID-19 became an unprecedented challenge.

TRANSFER TO RESERVES

The Company have transferred ₹1,398.40 Lakhs to General reserve account from Debenture Redemption Reserve.

SHARE CAPITAL

During the financial year under review, the authorized share capital of the Company has remained unchanged i.e. ₹ 38,00,00,000/- and paid up capital is unchanged at ₹ 35,54,65,350/-.

Also during the year under review, the holding Company, viz. Centrum Capital Limited increased its shareholding in the Company from 3,35,32,087 Equity shares to 3,37,17,089 Equity shares by purchasing 1,85,002 shares in an off market transaction w.e.f January 21, 2021.

DIVIDEND

With a view to conserve resources, the Directors decided not to recommend any dividend for the financial year 2020-21.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATED COMPANIES

As on March 31, 2021, the Company had following subsidiary & associate companies:

- Centrum Wealth Limited (Subsidiary)
- Centrum Financial Services Limited (Subsidiary)
- Centrum Insurance Brokers Limited (Subsidiary)
- Centrum Investment Advisory Limited. (Step Down Subsidiary)
- Centrum Broking Limited (Associate)

Further the Report on the performance and financial position of the subsidiary and the associate and the salient features of the financial statements in the prescribed form AOC-1 is annexed to this report **(Annexure A)**.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

India is currently experiencing a massive second wave of COVID-19 infections. The series of lockdowns have begun since the onset of new financial year. However, we expect no major changes in the economic activity as the nation is preparing to face the Pandemic with vaccines and preparedness.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of Business of the Company during the period under review.

DEBENTURES

During the year under review, the Company has raised an amount of Rs. 14,891 Lakhs in multiple tranches through private placement by way of issue of secured, unlisted, unrated, redeemable, non-convertible principal protected market linked debentures (MLDs) bearing a face value of INR 1,00,000/- each. Further, MLDs amounting to face value of Rs. 11,550 Lakhs raised earlier were redeemed during the year under review.

EXTRACTS OF ANNUAL RETURN

An extract of annual return in Form MGT-9 is attached herewith as **Annexure B**. and will be uploaded on our website www.centrum.co.in

AUDITORS AND AUDITORS' REPORT

M/s. A.T. Jain and Co., Chartered Accountants (FRN:103886W), the Statutory Auditors of the Company, hold office until the conclusion of AGM to be held in the year 2025. Pursuant to Section 141 of the Act, the Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

There are no qualifications of the Auditors in their report for the FY 2020-21.

SECRETARIAL AUDIT

Pursuant to the provisions of SEBI (LODR), Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/S. DSP & Associates, Company Secretary to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Auditor is appended herewith as an **Annexure C** to this report.

The following qualification was mentioned in the said Secretarial Audit Report:

As per the provisions of Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, the Company was required to create a Debenture Redemption Fund (DRF) in respect of debentures issued by the Company, invest or deposit, as the case may be, a sum which shall not be less than 15%, of the amount of its debentures maturing during the year, ending on the 31st day of March of the next year in any one or more methods of investments or deposits as provided in sub-clause (vi) of the said Rules. The said DRF was not created by the Company.

Management response on the same is that Company was able to deposit/invest only part of the amount required to be deposited/invested as on 31st December, 2020, however all the Debentures maturing till year ending 31st March, 2021 were redeemed on time.

COST AUDITOR

The provisions of Section 148(3) of the Companies Act, 2013 is not applicable to the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Steven Pinto (DIN: 00871062) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. There were following changes in the Board/KMPs, during the financial year under review:

- Mr. Rajesh Budhrani (DIN: 01284426) and Mr. Subhash Kutte (DIN: 00233322), Independent Directors of the Company were reappointed by the Board for a further tenure of five years on June 24, 2020 and regularised by the Members on July 03, 2020.
- Mr. Narayan Krishnan resigned as Chief Financial Officer of the Company w.e.f April 04, 2020.
- Mr. Gaurav Goyal was appointed as Chief Financial Officer of the Company w.e.f. September 10, 2020.
- Mr. Rajnish Bahl (DIN: 01699047) resigned as Managing Director of the Company with effect from February 08, 2021. The Board places on record its sincere appreciation for valuable services rendered by Mr. Rajnish Bahl, Managing Director of the Company.
- Mr. Kapil Bagla (DIN: 00387814) was appointed as Managing Director of the Company w.e.f. February 08, 2021.

As on March 31, 2021, the Company has the following Key Managerial Personnel:

1) Mr. Kapil Bagla – Managing Director
2) Mr. Gaurav Goyal – Chief Financial Officer
3) Ms. Archana Goyal – Company Secretary

MEETINGS OF THE BOARD AND COMMITTEES

Details of meetings of the Board and committees held during the year are set out in following table.

Particular	Board	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee
Number of Meetings	4	4	1	-
Dates of Meetings	24.06.2020, 10.09.2020, 09.11.2020, 08.02.2021	24.06.2020, 10.09.2020, 09.11.2020, 08.02.2021	08.02.2021	-
No. of Meeting attended by Directors/Committee members				
Mr. Rajnish Bahl	3	3	NA	-
Mr. Subhash Kutte	4	4	1	-
Mr. Steven Pinto	4	NA	1	-
Mr. Rajesh Budhrani	4	4	1	-
Mr. Kapil Bagla	1	NA	NA	-

Four meetings of the Board were held during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (the “Act”).

None of the Non-Executive Directors and Independent Directors had any pecuniary relationships or transactions with the Company during the year under review, apart from receiving sitting fees for attending board and committee meetings.

No meetings of Corporate Social Responsibility Committee were required to be conducted during the year.

INDEPENDENT DIRECTORS’ MEETING

A meeting of Independent Directors was held on February 8, 2021, as per schedule IV of the Companies Act, 2013.

RISK MANAGEMENT POLICY

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. The primary risks identified are market, credit, financial, operational and regulatory risks. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company’s strategies to prevent inconsistencies and gaps between its policies and practices.

In the opinion of the Board, during the financial year 2020-21, the Board has not noticed any elements of risk which may threaten the existence of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEE GIVEN AND SECURTIES PROVIDED

The Company has disclosed full particulars of loans given, investments made or guarantees given or securities provided in the notes forming a part of the financial statement provided in this Annual Report.

RELATED PARTY TRANSACTION

No related party transactions which requires approval under Section 188 of the Act were entered during the financial year under review. Hence, AOC 2 is not applicable for the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate **Annexure D**.

DISCLOSURES BY DIRECTORS

The Directors on the Board have submitted notice of interest under section 184(1) and intimation under section 164(2). All Independent Directors have also given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

AUDIT COMMITTEE

The constitution of the Audit Committee as on March 31, 2021 is as follows:

Name	Category	Designation in Committee
Mr. Subhash Kutte	Independent Director	Chairman
Mr. Rajesh Budhrani	Independent Director	Member
Mr. Kapil Bagla	Managing Director	Member

The details of meetings held are provided above.

NOMINATION & REMUNERATION COMMITTEE

The constitution of the Nomination & Remuneration Committee as on March 31, 2021 is as follows:

Name	Category	Designation in Committee
Mr. Subhash Kutte	Independent Director	Chairman
Mr. Rajesh Budhrani	Independent Director	Member
Mr. Steven Pinto	Non-executive Director	Member

The details of meetings held are provided above.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls established and maintained by the Company, work performed by the statutory, secretarial auditors and external agencies, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls are adequate and effective.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there were no material departures;

ii. that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for that period.

iii. that proper and sufficient care had been taken for the 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 fraud and other irregularities;

iv. that the annual accounts have been prepared on a going concern basis;

v. that proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PERFORMANCE EVALUATION

Independent Directors in their separate meeting evaluated the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole. They also reviewed the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

While reviewing, independent directors, inter alia, considered key functions and responsibilities of the Board as mentioned in the Companies Act, 2013. The evaluation was done after taking into consideration inputs received from the Directors, setting out parameters of evaluation. Evaluation parameters of the Board and Committees were mainly based on Disclosure of Information, Key functions of the Board and Committees, responsibilities of the Board and Committees, etc. Evaluation parameters of individual directors including the Chairman of the Board and Independent Directors were based on Knowledge to perform the role, Time and Level of Participation, Performance of Duties and Level of Oversight and Professional Conduct etc.

The Board of Directors separately carried out evaluation of its own performance and that of its committees and individual directors and Board as a whole noted the said performance evaluation carried out by the Independent Directors, Nomination, and Remuneration Committee of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors in its meeting held on August 22, 2017, constituted Corporate Social Responsibility Committee with the following members:

Sr No	Name	Category	Designation in Committee
1	Mr. Steven Pinto	Non-executive Director	Member
2	Mr. Subhash Kutte	Independent Director	Member

The CSR Policy of the Company as recommended by CSR committee to the Board, was adopted by the Board at their meeting held on December 11, 2017.
Pursuant to the provision of Section 135 of the Companies Act, 2013, the Company was not required to spend any money towards CSR for the financial year 2020-21. Thus as on March 31, 2021, the Company does not have any unspent amount towards CSR.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Companies Act, 2013 and Rules framed thereunder.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

In view of the nature of activities which are being carried out by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

Details of foreign exchange earnings and outgo are as below:

Particulars	**2020-21 (₹)**	**2019-20 (₹)**
Foreign exchange earned in terms of actual inflows	Nil	Nil
Foreign exchange outgo in terms of actual outflows	Nil	Nil

HUMAN RESOURCE AND EMPLOYEE RELATIONSHIP

There is an ongoing emphasis on building a progressive Human Resources culture within the Organization. Structured initiatives that foster motivation, teamwork and result-orientation continue to be addressed.

The Company has adopted "Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace" and has also constituted an Internal Complaints Committee (ICC).

The Directors further state that during the period under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

INTERNAL FINANCIAL CONTROL AND ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. Testing of such control systems forms a part of the audit.

The Board wish to state that the internal financial controls with reference to financial statements as designed and implemented by the Company are adequate.

NOMINATION AND REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013. The Policy is provided in **Annexure E** to this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review.

1. Details relating to Deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of equity shares (including sweat equity shares) and ESOS to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There was no instance of non-exercising of voting rights in respect of shares purchased directly by the employees under a scheme pursuant to section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debenture) Rules, 2014 and hence no information has been furnished.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year. Your Directors look forward to the continued support of all stakeholders in the future.

By Order of the Board
For Centrum Retail Services Limited

Steven Pinto	**Kapil Bagla**
Chairman	**Managing Director**
DIN: 00871062	**DIN: 00387814**

Place: Mumbai
Date: June 17, 2021

Note: Annexure D does not form a part of the printed format of this report. The same is duly filed with MCA and circulated amongst members of the Company as per the relevant provisions. A copy of the same can be obtained on request.

ANNEXURE A
FORM AOC-1

(Pursuant to Section 129(3) of the Companies Act 2013 read with rules 5 of the of the Companies (Accounts) Rules ,2014.)

PART A - Summary of Financial Information of Subsidiary Company

Name of the subsidiary Company	Centrum Wealth Management Limited	Centrum Insurance Brokers Limtied	Centrum Investment Advisors Limited	Centrum Financial Services Limited
Reporting Currency	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2020 to 31/03/2021 (Same as Holding Company)	01/04/2020 to 31/03/2021 (Same as Holding Company)	01/04/2020 to 31/03/2021 (Same as Holding Company)	01/04/2020 to 31/03/2021 (Same as Holding Company)
Exchange Rate	NA	NA	NA	NA
Paid up Equity Share Capital	2,000.00	1,040.00	211.30	9,895.69
Paid up Preference Share Capital	-	-	-	-
Reserves of the Subsidiary	(4,415.12)	(21.02)	396.96	20,429.28
Total Assets of the subsidiary	6,805.93	1,042.51	912.15	1,14,886.47
Total Liabilities of the subsidiary	9,221.06	23.53	303.89	84,561.50
Investments	388.29	-	-	5,880.87
Total Turnover	8,468.52	487.27	1,580.11	13,918.21
Profit/ (Loss) before Taxation	93.95	104.77	13.88	266.11
Provision for taxation	(1.60)	3.95	(4.37)	(84.27)
Other Comprehensive income (Net of Taxes)	(50.47)	1.75	(1.49)	2.96
Profit/ (Loss) after Taxation	41.88	110.47	8.02	184.79
Proposed Dividend	-	-	-	-
% of Holding (Note1)	67.53%	100%	49%	100%

Note 1 *%age of holding is of immediate Holding Company.*

BY ORDER OF THE BOARD
FOR CENTRUM RETAIL SERVICES LIMITED

STEVEN PINTO
CHAIRMAN
DIN: 00871062

KAPIL BAGLA
MANAGING DIRECTOR
DIN: 00387814

Place: Mumbai
Date: June 17,2021

Part “B”: Associates and Joint Ventures	
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures	
Name of Associates/Joint Ventures	**Centrum Broking Limited**
Reporting Currency	**Rs. In Lacs**
1. Latest audited Balance Sheet Date	31-03-2021
2. Shares of Associate/Joint Ventures held by the company on the year end	As follows
No of Shares	94,50,000
Amount of Investment in Associates/Joint Venture	9,45,00,000
Extend of Holding %	49%
3. Description of how there is significant influence	By way of shareholding in the Company
4. Reason why the associate/joint venture is not consolidated	The Ultimate Holding Company (Centrum Capital Limited) will adopt consolidated financials statements.
5. Networth attributable to Shareholding as per latest audited Balance Sheet *	1,834
6. Profit / (Loss) for the year	41.48
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	No

Note :

1 Control means more than 20% of the total share capital

2 Control more than 20% of the share capital and has significant influence over opertional and financial deccision making.

3 Insignificant influence on the financial and operating policy decision.

Name of Associates or Joint Ventures which are yet to Commence Operations

None

Name of the Associates or Joint Venture which have been liquidated or sold during the year.

None

**** Networth attributable to Shareholding as per latest audited Balance Sheet includes amount of Cumulative Preference Share Capital also.***

BY ORDER OF THE BOARD
FOR CENTRUM RETAIL SERVICES LIMITED

STEVEN PINTO	**KAPIL BAGLA**
CHAIRMAN	**MANAGING DIRECTOR**
DIN: 00871062	**DIN: 00387814**

Place: Mumbai
Date: June 17, 2021

ANNEXURE B

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31/03/2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.REGISTRATION AND OTHER DETAILS:

i.	CIN	**U74999MH2014PLC256774**
ii.	Registration Date	July 31, 2014
iii.	Name of the Company	CENTRUM RETAIL SERVICES LIMITED
iv.	Category/Sub-Category of the Company	Limited by shares/Non-Government Company
v.	Address of the Registered office and contact details	Registered and Corporate Office: Centrum House, Vidaynagari Marg, Kalina, Santacruz (East), Mumbai 400098. Contact: 022- 4215 9000
vi.	Whether Listed Company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400 083. Tel No: +91 22 49186000 NSDL Database Management Limited 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013. Tel .No. 022 -4914 2700

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	**Name and Description of main products/ services**	**NIC Code of the Product/ service**	**% to total turnover of the company**
1	Other Business Process Management Services	99831179	41.77%
2.	Interest income	Others	58.23%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/Associate	%of shares held	Applicable Section
1.	**Centrum Capital Limited** 02nd Floor, Bombay Mutual Building, Dr. D.N Road, Mumbai-400001	L65990MH1977PLC019986	Holding	94.85 %	2(46)
2.	**Centrum Wealth Limited** 2nd Floor, Bombay Mutual Building, Dr. D.N Road, Fort, Mumbai	U65993MH2008PLC178252	Subsidiary	67.53%	2(87)(ii)
3.	**Centrum Insurance Brokers Limited** Unit 801, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai-400098	U66000MH2016PLC273496	Subsidiary	100%	2(87)(ii)
4.	**Centrum Financial Services Limited** 2nd Floor, Bombay Mutual Building, Dr. D.N Road, Fort, Mumbai -400001	U65910MH1993PLC192085	Subsidiary	100%	2(87)(ii)
5.	**Centrum Investment Advisors Ltd.** Unit 801, Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai-400098	U74999MH2015PLC268712	Step down Subsidiary	49 %	2(87)(ii)
6.	**Centrum Broking Limited** 2nd Floor, Bombay Mutual Building, Dr. D.N Road, Fort, Mumbai-400001	U67120MH1994PLC078125	Associate	48.99 %	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Dem at	Physica l	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp	3,35,32,087	0	3,35,32,087	94.33	3,37,17,089	0	3,37,17,089	94.85	0.52
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	3,35,32,087	0	3,35,32,087	94.33	3,37,17,089	0	3,37,17,089	94.85	0.52
Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other....	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

Sub-total (A)(2):-									
Public Shareholding									
Institutions	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
Bodies Corp. **(i) Indian** **(ii) Overseas**	-	-	-	-	-	-	-	-	-
Individuals **(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh** **(ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh**	20,14,448	0	20,14,448	5.67	18,29,446	0	18,29,446	5.15	(0.52)
Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	20,14,448	0	20,14,448	5.67	18,29,446	0	18,29,446	5.15	(0.52)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	20,14,448	0	20,14,448	5.67	18,29,446	0	18,29,446	5.15	(0.52)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**3,55,46,535**	**0**	**3,55,46,535**	**100**	**3,55,46,535**	**0**	**3,55,46,535**	**100**	**-**

ii.*Shareholding of Promoters*

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Centrum Capital Limited	3,35,32,087	94.33	Nil	3,37,17,089	94.85	Nil	**0.52**
	Total	**3,35,32,087**	**94.33**	**Nil**	**3,37,17,089**	**94.85**	**Nil**	**0.52**

iii.*Change in Promoters' Shareholding*

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,35,32,087	93.33	3,35,32,087	93.33
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of 185,002 shares from Mr. Amritpal Singh Bindra to Centrum Capital Limited on January 21, 2021		3,37,17,089	94.85
	At the End of the year	3,35,32,087	94.33	3,37,17,089	94.85

(iv) Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRS and ADRs):

SR. No.	Shareholder's Name	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of Shares	**% of total Shares of the company**	**No. of Shares**	**% of total Shares of the company**
1.	AMRITPAL SINGH BINDRA	2014448	5.67	1829446	5.15

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,951.47	11,611	-	32,562.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	58,61.77	-	-	58,61.77
Total (i+ii+iii)	26,813.24	11,611	-	38,424.24
CHANGE IN INDEBTEDNESS DURING THE FINANCIAL YEAR				
Addition (net)	5,135.88	9,668.24	-	14,804.12
Reduction	-	-	-	-
Exchange difference	-	-	-	-
Net change	5,135.88	9,668.24	-	14,804.12
INDEBTEDNESS AT THE END OF FINANCIAL YEAR				
i) Principal Amount	26,087.36	21,279.24	-	47,366.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4,368.55	-	-	4,368.55
Total (i+ii+iii)	30,455.91	21,279.24	-	51,735.14

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Rajnish Bahl Managing Director*	Mr. Kapil Bagla Managing Director**	
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	87,50,000/-	0/-	87,50,000/-
	Stock Option			
	Sweat Equity			
	Commission- as % of profit - others, specify…			

	Others, Performance Bonus			
	Total (A)	87,50,000/-	**0/-**	87,50,000/-

** Resigned as Managing Director of the Company with effect from February 08, 2021.*
***Mr. Kapil Bagla was appointed w.e.f February 08, 2021 and draws remuneration from Centrum Capital Limited, the holding Company of your Company. Thus his remuneration is not disclosed here.*

B. <u>Remuneration to other directors:</u>

Sl. No.	**Particulars of Remuneration**	**Name of other Directors**		**Total Amount**
		Mr. Subhash Kutte	**Mr. Rajesh Budhrani**	
	Independent Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	3,90,000 -	3,90,000 -	7,80,000 -
	Total(1)	3,90,000	3,90,000	7,80,000
		Mr. Steven Pinto		
	Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	270,000 -		2,70,000 -
	Total(2)	2,70,000		2,70,000
	Total(B)=(1+2)			10,50,000
	Total Managerial Remuneration			98,00,000
	Overall Ceiling as per the Act	11% of the Net Profit as per Section 197		

C. <u>Remuneration to Key Managerial Personnel Other Than MD/Manager /WTD</u>

Sl. no.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		Company Secretary (Mrs. Archana Goyal)	CFO (Mr. Narayan Krishnan) (01/04/2020-4//04/2020)	CFO (Mr. Gaurav Goyal) (10/09/2020 - 31/03/2021)	Total
1.	Gross Salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	19,70,448/- -	35,628/- -	10,82,548/- -	32,54,942/-
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as %of profit -others, specify…				
5.	Others, Performance Bonus	3,72,500/-		-	3,72,500/-
6.	**Total**	**23,42,948/-**	**35,628/-**	**12,48,866/-**	**36,27,442/-**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. Directors					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. Other Officers In Default					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

By Order of the Board
For Centrum Retail Services Limited

Steven Pinto
Chairman
DIN: 00871062

Kapil Bagla
Managing Director
DIN: 00387814

Place: Mumbai
Date: June 17, 2021

DSP & ASSOCIATES
Company Secretaries (FRN S2020MH752100)
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Cel: 8433934373 Email: sangitadalvi4596@gmail.com

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Centrum Retail Services Limited
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centrum Retail Services Limited** (CIN: U74999MH2014PLC256774) and having it's registered office at Centrum House, CST Road, Vidyanagari Marg Kalina, Santacruz (East) Mumbai – 400098 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under:

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial

DSP & ASSOCIATES
M No. A62111
C P No. 23431
Company Secretaries

borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(as applicable as the Company is a material subsidiary of its Listed Holding Company)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable)**

(vi) There are no laws that are specifically applicable to the company based on their sector/industry. As informed by the Company other general, labour and tax laws as applicable to the company have been duly complied.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(as applicable, to the extent that the Company is a material subsidiary of a Listed Holding Company)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to following observations that:

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I Pertaining Companies Act, 2013

(a) As per the provisions of Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, the Company was required to create a Debenture Redemption Fund (DRF) in respect of debentures issued by the Company, invest or deposit, as the case may be, a sum which shall not be less than 15%, of the amount of its debentures maturing during the year, ending on the 31st day of March of the next year in any one or more methods of investments or deposits as provided in sub-clause (vi) of the said Rules. The said DRF was not created by the Company.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously, whereas where ever, decisions were carried out by requisite majority, the consent of Independent Directors was obtained as per the requirement of the Act, and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has following specific event/ actions which has bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. –

i) The Company has vide Special Resolution passed in its Annual General Meeting dated 03rd July, 2020, approved Further Issue of Securities under the provisions of Section 42, 62(1)(a), 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014 to create, offer, issue and allot , by issue of any securities on private placement or preferential allotment basis or through other modes, for cash or for consideration other than cash, at par or at premium or at discount as may be decided by the Board, in one or more tranches, for the aggregate value of INR 500 Crore.

ii) The Company has approved pursuant to Section 42, 71 and other applicable provisions, if any, Issue and allocation of Secured, Unlisted, Unrated, Redeemable, Non-Convertible Principle Protected Market Linked Debentures (MLDs) bearing a face value of INR

DSP & ASSOCIATES M No. A62111 C.P N O.23431 Company Secretaries

DSP & ASSOCIATES

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1,00,000 (Rupees One Lakh Only) each for cash at par/premium/discount aggregating up to INR 100,00,00,000/- each, on Private placement basis:

a) vide Resolution passed by the Fund Raising Committee of Board of Directors of the Company in their meeting dated October 7, 2020

b) vide Resolution passed by the Fund Raising Committee of Board of Directors of the Company in their meeting dated February 20, 2021

i) The Company has issued and allotted Market Linked Debentures having a face value of INR 1,00,000/- each, aggregating to INR 148,91,00,000/-, during the audit period as per following particulars:

Series	ISIN	No. of MLDs allotted	Date of Maturity	Total Amount INR
CRSL/MLD/2020-21/01	INE274R07683	1016	16-May-24	102660930
CRSL/MLD/2020-21/02	INE274R07691	2623	31-May-24	264897720
CRSL/MLD/2020-21/03	INE274R07709	3781	11-Jul-24	380457130
CRSL/MLD/2020-21/04	INE274R07717	5516	23-Mar-23	556796510
CRSL/MLD/2020-21/05	INE274R07725	1955	03-Sep-24	191256900
	Total	**14891**		**1496069190**

ii) The Company redeemed 11550 Market link Debentures having a face value of INR 1,00,000/- each, aggregating to INR 115,50,00,000/-, which were due for repayment during the audit period as per following particulars:-

Date	No of MLDs	Redemption Amount INR
12-Jan-21	3216	361873840
25-Jan-21	565	79192250
02-Feb-21	1948	270313285
12-Feb-21	855	85500000
22-Feb-21	500	73000000
05-Mar-21	2741	396954512
29-Mar-21	1525	228960000
30-Mar-21	200	28240000
Grand Total	**11550**	**1524033887**

DSP & ASSOCIATES
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v) The Managing Director of the Company Mr. Rajnish Bahl (DIN: 01699047) resigned with effect from 08th February, 2021 and Board appointed Mr. Kapil Vishnu Bagla (DIN: 00387814) as the Managing Director of the Company to hold office with effect from February 08, 2021 to February 07, 2022; which was approved by the Company vide Special Resolution passed in its Extra Ordinary General Meeting held on 08th March, 2021.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **DSP & Associates**
Company Secretaries

DSP & ASSOCIATES
M No. A62111
C.P N 0.23431
Company Secretaries

Sdalvi

Sangita P. Dalvi
Proprietor
ACS-62111 COP-23431

UDIN: A062111C000477867

Place: Mumbai
Date: 17/06/2021

DSP & ASSOCIATES
Company Secretaries (FRN S2020MH752100)
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'Annexure A'

To,

The Members,
Centrum Retail Services Limited
Mumbai

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

7. On account severe restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid 19 pandemic (which commenced during the last week of March'2020 and continued thereafter during the audit period), and subsequent lockdown situation, we for the purpose of completion of our audit have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For **DSP & Associates**
Company Secretaries

DSP & ASSOCIATES
M.No. A62111
C.P No. 23431
Company Secretaries

Sangita P. Dalvi
Proprietor
ACS-62111 COP-23431

UDIN: A062111C000477867

Place: Mumbai
Date: 17/06/2021

Annexure E

CENTRUM RETAIL SERVICES LIMITED

(Formerly known as Centrum Retail Financial Services Limited)

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

1. OBJECTIVE & APPLICABILITY

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

1.2. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.3. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.5. To develop a succession plan for the Board and to regularly review the plan;

1.6. Applicability:

a) Directors (Executive and Non-Executive)
b) Key Managerial Personnel
c) Senior Management Personnel

2. DEFINITIONS

2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. Board means Board of Directors of the Company.

2.3. Directors mean Directors of the Company.

2.4. Key Managerial Personnel means

2.4.1. Chief Executive Officer or the Managing Director or the Manager;

2.4.2. Whole-time director;

2.4.3. Chief Financial Officer;

2.4.4. Company Secretary; and

2.4.5. such other officer as may be prescribed.

2.5. **Senior Management** means Senior Management means one level below the Executive Directors on the Board.

3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3. Recommend to the Board, appointment including the terms and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level with the objective of having a Board with diverse backgrounds and experience in business, education and public service and recommend to the Board his / her appointment.

Characteristics expected of all Directors include independence, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

b)A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position. In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations, management, public policy, legal, governance and other disciplines. The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company’s business and represent stakeholders’ interests through the exercise of sound judgment, using its diversity of experience.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

In determining whether to recommend a Director for re-election, the Committee also considers the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board.

3.2.2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding three/Five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior

Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.4. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the KMP and Senior Management Personnel

3.3.1. General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increment to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board on the recommendation of the

Committee and approved by the shareholders and Central Government, wherever required.

b) **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) **Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. Remuneration to Non- Executive / Independent Director:

Remuneration for Independent Directors and Non-Independent Non-Executive Directors

Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.

Independent Directors ("ID") and Non-Independent Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination & Remuneration Committee and approved by the Board.

Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). Provided that the amount of such fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules thereunder or any other enactment for the time being in force.

Overall remuneration practices should be consistent with recognised best practices.

Following are the criteria for making payments to Non – Executive directors:

1. Number of the Board/ Committee meetings attended

2. Contribution during the Meeting.

3. Informal Interaction with the Management

4. Active Participation in strategic decision making

In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/ management, site visits, Client Visit, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

4. CONSTITUTION OF COMMITTEE:

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration Committee (NRC) consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the committee is an Independent Director. However, the chairperson of the company (whether executive or non-executive) may be appointed as a member of the NRC but shall not chair such committee. The meetings of the Committee shall be held at such regular intervals as may be required. The Company Secretary of the Company shall act as the Secretary of the Committee.

5. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

5.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

5.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

5.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

5.4 Determining the appropriate size, diversity and composition of the Board;

5.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

5.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

5.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

5.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

5.9 Recommend any necessary changes to the Board; and

5.10 Considering any other matters, as may be requested by the Board.

6. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

6.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

6.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

6.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.

6.4 to consider any other matters as may be requested by the Board.

6.5 Professional indemnity and liability insurance for Directors and senior management.

7. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

8. APPLICABILITY TO SUBSIDIARIES

This policy may be adopted by the Company’s subsidiaries subject to suitable modifications and approval of the Board of Directors of the respective subsidiary companies.

9. REVIEW AND AMMENDMENT

1. The NRC or the Board may review the Policy as and when it deems necessary
2. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary

3. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance officer where there are any statutory changes necessitating the change in this policy.

10. COMPLIANCE RESPONSIBILITY

Compliance of this policy shall be the responsibility of the CFO of the Company who shall have the power to ask for any information or clarification from the management in this regard.

Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM RETAIL SERVICES LIMITED

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of CENTRUM RETAIL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including other comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will 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.

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If based on the work we performed, we conclude that there is a material misstatement in the said other information, we are required to communicate the matter to those charged with governance and take appropriate actions as per the applicable laws and regulations.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive Income), change in equity and cash flows of the Company in accordance the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act read with Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and deteeting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

A. T. JAIN & CO. ★ MUMBAI-20. ★ CHARTERED ACCOUNTANTS 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.

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the

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Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with schedule V of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The company has disclosed the impact of pending litigations on its financial position as at 31st March, 2021 in its financial statements. – Refer Note No. 48

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the company.

For M/s A.T. Jain & Co.
Chartered Accountants
Firm Registration Nos. 103886W

A. T. JAIN & CO. * CHARTERED ACCOUNTANTS * MUMBAI-20.

Sushil T Jain
Partner
Membership No. 033809
Place: Mumbai
Date: 17th June, 2021.
UDIN: 21033809AAAAGC8466

Annexure A to the Independent Auditor's Report of even date to the members of CENTRUM RETAIL SERVICES LIMITED on the Financial Statements for the year ended 31st March, 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   b) All Property, Plant and Equipment have not been physically verified by the management during the year however there is a regular programme of verification which in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

   c) According to information and explanations given by the management and based upon the audit procedures performed, the title deed of immovable property included in Property, Plant and Equipment is held in the name of the company.

2. As explained to us, the securities held for trading in dematerialized form have been verified by the management with the periodical statements received from depository participants. No material discrepancy was noticed on verification of stocks by the management as compared to book records.

3. As per the information and explanations given to us and as per the documents examined by us, the company has granted loan, unsecured, to parties covered in the register maintained under Section 189 of the Act.

   a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the parties are not prima facie prejudicial to the interest of the Company.

   b) No Schedule for repayment of Principal and payment of interest on loan has been stipulated, therefore we are unable to comment under sub clause (b) and (c) of clause (iii) of Paragraph 3 of the said Order.

4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investment made, guarantee and security given to the extent applicable.

5. As per the information and explanations given to us the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Therefore the provisions of clause (v) of Paragraph 3 of the said Order are not applicable to the Company.

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6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the business of the company. Accordingly, the provisions of clause (vi) of Paragraph 3 of the said Order are not applicable.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, Goods and Service tax, cess and other material statutory dues applicable to the company have generally been regularly deposited during the period by the Company with the appropriate authorities, however there has been a slight delay in few cases.

   As explained to us, the Company did not have any dues on account of Sales tax, Service tax, Value added tax, duty of customs and duty of Excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, cess and other statutory dues applicable to the company were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, there are no material dues of income tax, goods and service tax, cess or any other material statutory dues applicable to the company which have not been deposited with the appropriate authorities on account of any dispute except for the following dues :-

Name of Statute	Nature of Dues	Amount (Rs in lakhs)	Period to which it Relates	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax	86.90 Lakhs	AY 2017-18	The Commissioner of Income Tax (Appeals)

8. According to the information and explanation given to us and based on the documents and records examined by us, in our opinion the company has not defaulted in repayment of loans or borrowings due to financial institution, Banks or Debenture holders. There were no borrowings or loans from Government.

9. In our opinion and on the basis of information and explanations given to us, during the year, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or Term Loans and hence reporting under clause (ix) of Paragraph 3 of the said Order is not applicable.

10. Based upon the audit procedures performed for the purpose of reporting on the true and fair view of the Financial Statements and according to the information and explanations given to us by the Management, no fraud by the company or no material fraud on the company by the officers and employees noticed or reported during the year.

A. T. JAIN & CO. * CHARTERED ACCOUNTANTS * MUMBAI-20.

11. According to the information and explanations given to us and based on the examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. In our opinion and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the said Order is not applicable and hence not commented upon.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. According to the information and explanation given to us and based on our examination of the records provided to us, company's asset-income pattern meets the principal Business Criteria as laid down vide RBI Press Release: 1998-99/1269 dated 8th April, 1999 i.e as at and for the year ended 31st March, 2021, company's financial assets constitute more than 50 per cent of the Total assets and income from financial assets constitute more than 50 per cent of the Gross income. Prima Facie, the company is required to get itself registered under Section 45-IA of the Reserve Bank of India Act, 1934. However, as per the information and explanation given by the management, the company does not intend to carry out NBFC activities and therefore have not applied for registration. Management has formulated a plan of action to mitigate the situation and is hopeful that company would not meet the said criteria for this requirement consistently as a going concern.

For M/s A.T. Jain & Co.
Chartered Accountants
Firm Registration Nos. 103886W

A. T. JAIN & CO. * CHARTERED ACCOUNTANTS * MUMBAI-20

Sushil T Jain
Partner
Membership No. 033809
Place: Mumbai
Date: 17th June, 2021.
UDIN: 21033809AAAAGC8466

Annexure B to the Independent Auditor's Report of even date to the members of CENTRUM RETAIL SERVICES LIMITED on the Financial Statements for the year ended 31st March, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CENTRUM RETAIL SERVICES LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based

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on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control

A. T. JAIN & CO. * CHARTERED ACCOUNTANTS * MUMBAI-20.

stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s A.T. Jain & Co.
Chartered Accountants
(Firm's Registration No.103886W)

A.T. JAIN & CO. * CHARTERED ACCOUNTANTS * MUMBAI-20

Sushil.T.Jain
(Partner)
Membership no. 033809
Place: Mumbai
Date: 17th June, 2021
UDIN: 21033809AAAAGC8466

CENTRUM RETAIL SERVICES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	1	1,414.17	1,531.90
(b) Right of use of Assets	2	1,112.25	1,928.87
(c) Other intangible assets	3	31.65	36.28
(d) Financial assets			
(i) Investments	4	42,371.80	39,998.66
(ii) Loans	5	964.07	782.47
(e) Deferred tax assets (net)	6	-	0.83
(f) Other Non-current assets	7	0.42	-
Total Non-current assets		**45,894.36**	**44,279.01**
(2) Current assets			
(a) Financial Assets			
(i) Investments	8	32.31	353.71
(ii) Trade receivables	9	0.27	117.08
(iii) Cash and cash equivalents	10	365.60	166.48
(iv) Bank balances other than (iii) above	11	786.04	786.04
(v) Loans	12	46,160.39	34,712.82
(vi) Other Financial Assets	13	435.92	2,845.33
(b) Current tax asset (net)	14	606.05	770.32
(c) Other current assets	15	246.30	263.31
Total Current assets		**48,632.88**	**40,015.09**
Total Assets		**94,527.24**	**84,294.10**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	3,554.65	3,554.65
(b) Other Equity	17	37,455.25	38,700.77
Total Equity		**41,009.90**	**42,255.42**
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	12,584.29	10,397.63
(ii) Lease Liabilities		424.57	1,173.89
(iii) Other Financial Liabilities	19	2,378.78	3,034.44
(b) Provisions	20	19.59	20.69
Total Non-current liabilities		**15,407.23**	**14,626.65**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	21,279.24	11,611.00
(ii) Trade payables			
a) total outstanding dues of micro	22		-
b) total outstanding dues of creditors other		156.10	365.16
(iii) Lease Liabilities		842.31	866.79
(iv) Other Financial Liabilities	23	15,586.10	14,403.77
(b) Other Current Liabilities	24	180.93	103.33
(c) Provisions	25	65.44	61.98
Total Current liabilities		**38,110.12**	**27,412.03**
Total Equity and Liabilities		**94,527.24**	**84,294.10**

Significant Accounting Policies 1
See accompanying Notes to the Financial Statements 1 to 50

As per our report of even date attached

For and on behalf of the Board of Directors of

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

Steven Pinto
Chairman
DIN : 00871062

Kapil Bagla
Managing Director
DIN : 00387814

Sushil T. Jain
Partner
Membership No. 033809
Place: Mumbai
Date : 17th June, 2021

Gaurav Goyal
CFO

Archana Goyal
Company Secretary

CENTRUM RETAIL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED 31ST MARCH, 2021

(₹ in Lakhs)

Particulars	Notes	For the Year ended 31st March,2021	For the Year ended 31st March,2020
INCOME			
Revenue from operations	26	7,783.38	7,621.97
Other income	27	3.81	694.60
Other gain/(losses)-net	28	890.65	255.74
Total Income		**8,677.84**	**8,572.31**
EXPENSES			
Employee benefit expense	29	937.45	1,459.45
Finance costs	30	5,854.48	3,763.59
Depreciation and amortisation expense	1-3	1,027.04	970.57
Other expenses	31	1,848.64	2,634.95
Total Expenses		**9,667.61**	**8,828.56**
Profit Before Tax and exceptional items		**(989.77)**	**(256.25)**
Exceptional items			-
Profit Before Tax		**(989.77)**	**(256.25)**
Income Tax expenses			
Current Tax		-	110.13
Tax expenses/(credit) relating to prior years		268.54	(240.38)
Deferred Tax		0.83	282.39
Profit for the Period		**(1,259.14)**	**(408.39)**
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and Loss			
(i) Remeasurements of post-employment benefit obligations		5.85	(21.06)
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		(0.00)	6.13
Other comprehensive income for the period, net of tax		**5.85**	**(14.93)**
Total comprehensive income for the period		**(1,253.29)**	**(423.32)**
Earnings per equity share (for continuing operations) of ₹ 10 each			
a) Basic		(3.54)	(1.15)
b) Diluted		(3.54)	(1.15)

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 50

As per our Report of even date attached

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

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

Steven Pinto
Chairman
DIN : 00871062

Kapil Bagla
Managing Director
DIN : 00387814

Sushil T. Jain
Partner
Membership No. 033809
Place: Mumbai
Date : 17th June, 2021

Gaurav Goyal
CFO

Archana Goyal
Company Secretary

Centrum Retail Services Limited
Statement of changes in equity for the year ended 31st March 2021

A. Equity share capital (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the reporting year	3,554.65	3,554.65
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	**3,554.65**	**3,554.65**

B. Other Equity (₹ in Lakhs)

Particulars	Other Equity						Total
	Securities Premium	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserves	Capital Contribution	
Balance as at 31st March, 2019	**22,308.24**	**10,332.43**	**78.97**	**6,295.00**	**118.75**	**-**	**39,133.39**
Profit for the year	-	(408.38)	-	-	-	-	**(408.38)**
Other Comprehensive income for the year *	-	(14.93)	-	-	-	-	**(14.93)**
Total Comprehensive Income for the year	-	9,909.11	-	-	-	-	**9,909.11**
Share Based Payment	-	-	-	-	-	29.08	**29.08**
IND-AS adjustment for 116 Leases	-	(38.37)	-	-	-	-	**(38.37)**
Transfer to General Reserves	-	-	-	(843.75)	843.75	-	**-**
Balance as at 31st March, 2020	**22,308.24**	**9,870.75**	**78.97**	**5,451.25**	**962.50**	**29.08**	**38,700.79**
Profit/ (loss) for the year	-	(1,259.14)	-	-	-	-	**(1,259.14)**
Other Comprehensive income for the year*	-	5.85	-	-	-	-	**5.85**
Total Comprehensive Income for the year	-	8,617.46	-	-	-	-	**8,617.46**
Share Based Payment	-	-	-	-	-	7.77	**7.77**
Transfer to/(from) Retained Earnings	-	-	-	-	-	-	**-**
Transfer to General Reserves	-	-	-	(1,398.40)	1,398.40	-	**-**
Balance as at 31st March, 2021	**22,308.24**	**8,617.46**	**78.97**	**4,052.85**	**2,360.90**	**36.85**	**37,455.27**

* Other Comprehensive income represents remeasurements of defined benefit plans net of tax
Significant Accounting Policies
See accompanying Notes to the Financial Statements 1 to 50

As per our report of even date attached

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

Sushil T. Jain
Partner
Membership No. 033809
Place: Mumbai

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

Steven Pinto
Chairman
DIN : 00871062

Kapil Bagla
Managing Director
DIN : 00387814

Gaurav Goyal
CFO

Archana Goyal
Company Secretary

CENTRUM RETAIL SERVICES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lakhs)

	Particulars	For the Year ended 31-Mar-2021	For the Year ended 31-Mar-2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before Taxation	(989.77)	(256.24)
	Adjustments for :-		
	Interest expense on borrowings measured at amortised cost	5,669.37	4,213.60
	Property, Plant and Equipment Written Off	119.51	-
	Depreciation and amortisation	1,027.04	970.57
	Loss/ (Profit) on sales of Investments	(13.19)	(0.32)
	Changes in Fair Value of Investments at fair value through profit and loss	(570.15)	(209.35)
	Unwinding of discount on security deposits	(52.11)	-
	Interest on Lease Liability	168.02	191.71
	Interest Income from financial assets	(165.09)	-
	ESOP Expense	7.77	-
	Bad- debts Written off	30.74	-
	Balances Written Back	(1.92)	(6.40)
	Expected Credit Loss Allowance for loans, Security deposits	72.47	13.37
	Expected Credit Loss Allowance on Trade Receivables	0.56	(136.91)
	Financial Guarantee Liability Reversal Income	(0.98)	(0.46)
	Proceeds from share of profit from joint arrangement with subsidiary	-	(639.43)
	Operating Profit before Working Capital changes	**5,302.27**	**4,140.14**
	Movement in working capital:		
	Decrease/(Increase) in Trade Receivables	105.89	832.27
	Decrease/(Increase) in Loans & Advances	(12,959.34)	6.96
	Decrease/(Increase) in Other Assets	2,426.00	(453.42)
	Increase /(Decrease) in Other Liabilities	(1,255.43)	(1,278.24)
	Increase /(Decrease) in Provisions	3.18	(15.98)
	Cash Generated/(Used) from Operations	**(6,377.43)**	**3,231.73**
	Taxes (Paid)/refund (Net)	(104.42)	(2,593.87)
	Net Cash Generated/(Used) from Operating Activities (A)	**(6,481.85)**	**637.86**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Interest Received	1,454.52	174.85
	Purchase of Property, Plant and Equipment	(173.63)	(295.06)
	Sale of Property, Plant and Equipment	2.31	-
	Purchase of Investments of Subsidairies	(283.71)	(4,775.78)
	Purchase of Investments	(1,500.00)	(586.99)
	Sale of Investments	322.21	-
	Repayments of Lease Liabilities	(789.09)	(867.66)
	Net Cash Generated/(Used) from Investing Activities (B)	**(967.39)**	**(6,350.64)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds/(Repayments) of Non-Current Borrowings - Net	1,525.09	(2,784.18)
	Proceeds/(Repayments) of Current Borrowings - Net	13,957.35	10,476.09
	Interest paid	(7,834.08)	(1,859.25)
	Net Cash Generated/(Used) from Financing Activities (C)	**7,648.36**	**5,832.66**
	Net Increase/(Decrease) in Cash and Cash Equivalents **(A+B+C)**	199.12	119.89
	As at the Begning of the year	166.48	46.59
	Closing Cash and Cash Equivalents	**365.60**	**166.48**
	As at the end of the year (Refer Note No. 10)		
	Cash in hand	0.44	0.35
	Balance with banks-Current accounts	365.16	166.13
	Closing Cash and Cash Equivalents	**365.60**	**166.48**

The above cash flow statements have been prepared under the indirect method set out in Indian Accounting Standard (AS) -7 'Cash Flow Statement' issued by ICAI.

Significant Accounting Policies
See accompanying Notes to the Financial Statements 1-50
As per our Report of even date attached

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

Steven Pinto
Chairman
DIN : 00871062

Kapil Bagla
Managing Director
DIN : 00387814

Sushil T. Jain
Partner
Membership No. 033809
Place: Mumbai
Date : 17th June, 2021

Gaurav Goyal
CFO

Archana Goyal
Company Secretary

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Period ended 31st March, 2021

Note 1: Property plant and equipment (₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance as on 01st April 2020	Additions / Capitalisations/Transfer	Disposal/ Transfer	Closing Balance as on 31st March 2021	Opening Balance as on 01st April 2020	Depreciation charge for the Year	Disposal/ Transfer	Closing Balance as on 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
Property, Plant and Equipment										
Building	1,055.33	-	-	1,055.33	52.77	17.59	-	70.36	984.97	1,002.56
Leasehold Improvements	501.88	121.77	146.57	477.08	168.35	104.90	21.81	251.44	225.64	333.53
Furniture & Fixtures	42.67	48.23	(3.54)	94.44	8.69	6.07	(0.60)	15.36	79.08	33.97
Vehicles	143.37	-	-	143.37	52.93	17.01	-	69.94	73.43	90.44
Office Equipment	83.86	2.02	-	85.88	30.25	15.78	-	46.03	39.85	53.61
Computer	50.04	1.61	-	51.65	32.26	8.18	-	40.44	11.20	17.78
Total	**1,877.15**	**173.63**	**143.03**	**1,907.75**	**345.25**	**169.53**	**21.21**	**493.56**	**1,414.17**	**1,531.90**
Previous Year	1,582.09	295.06	-	1,877.15	180.83	164.42	-	345.25	1,531.90	**1,401.24**

Note 2 : Right of Use Assets (₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance as on 01st April 2020	Additions / Capitalisations	Disposal/ Transfer/Changes	Closing Balance as on 31st March 2021	Opening Balance as on 01st April 2020	Depreciation charge for the Year	Disposal/ Transfer	Closing Balance as on 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
Right of Use of Asset	2,730.47	891.55	1,983.14	1,638.88	801.60	852.88	1,127.85	526.63	1,112.25	1,928.87
Total	**2,730.47**	891.55	**1,983.14**	**1,638.88**	**801.60**	**852.88**	**1,127.85**	**526.63**	**1,112.25**	**1,928.87**
Previous Year	-	**2,730.47**	**-**	**2,730.47**	**-**	**801.60**	**-**	**801.60**	**1,928.86**	**-**

*** Right of use of assets includes Prepaid expenses on Security deposits created in previous years and depreciation on Right of use of assets includes amortization of prepaid expenses on security deposits**

Note 3 : Other Intangible assets (₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance as on 01st April 2020	Additions / Capitalisations	Disposal/ Transfer	Closing Balance as on 31st March 2021	Opening Balance as on 01st April 2020	Depreciation charge for the Period	Disposal/ Transfer	Closing Balance as on 31st March 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
Computer Software	47.78	-	-	47.78	11.50	4.63	-	16.13	31.65	36.28
Total	**47.78**	**-**	**-**	**47.78**	**11.50**	**4.63**	**-**	**16.13**	**31.65**	**36.28**
Previous Year	47.78	-	-	47.78	6.95	4.55	-	11.50	36.28	40.83

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 4: Financial assets - Non - Current Investment **(₹ in Lakhs)**

Particulars	Subsidiary / Associate / JV/ Controlled Entity / Others	As at 31st March, 2021	As at 31st Mar, 2020
Investment in equity shares (fully paid) - At cost			
Unquoted			
1,35,05,000 (31 March 2020 : 1,31,18,000) equity shares of Centrum Wealth Limited	Subsidiary	2,135.61	2,096.91
1,03,99,996 (31 March 2020 : 1,03,99,996) equity shares of Centrum Insurance Brokers Limited	Subsidiary	1,040.00	1,040.00
94,50,000 (31 March 2020 : 94,50,000) equity shares of Centrum Broking Limited	Associate	1,984.50	1,984.50
10,35,370 (31 March 2020 : 2,45,000) equity shares of Centrum Investment Advisors Limited	Associate	3,773.01	3,528.00
9,89,56,942 (31 March 2020 : 9,89,56,942) equity shares of Centrum Financials Services Limited	Subsidiary	29,782.66	29,775.78
Total (equity instruments)		**38,715.78**	**38,425.19**
Investment in 0.01% Cumulative Compulsorily Convertible Preference shares (fully paid) - At FVTPL			
Unquoted			
4,00,000 (31 March 2020 : NIL) Shares of Neelakrishna Leafins Limited	Others	97.04	-
45,00,000 (31 March 2020 : NIL) Shares of Gundlupet Finance and Investment Pvt. Ltd.	Others	921.15	-
Total (Compulsorily Convertible Preference shares)		**1,018.19**	**-**
Investments in Share Warrants - At cost			
Unquoted			
1 (31 March 2020 : 1) share warrant of Centrum Wealth Management Limited	Subsidiary	10.00	10.00
Total (Share Warrants)		**10.00**	**10.00**
Investments In 0% Optionally Convertible Redeemable Preference Shares - At FVTPL			
25,00,000 (31 March 2020 : NIL) of Yuvati Infrastruture Private Limited	Others	353.75	
25,00,000 (31 March 2020 : NIL) of Bettie Software Private Limited	Others	362.00	
Total (Optionally Convertible Redeemable Preference Shares)		**715.75**	
Investments In Compulsorily Convertible Debentures - At FVTPL			
Unquoted			
1,50,91,430 (31 March 2020 : 1,50,91,430) of Centrum Financials Services Limited	Subsidiary	1,912.08	1,563.47
Total - Investment in Debentures		**1,912.08**	**1,563.47**
Total Non Current Investments		**42,371.80**	**39,998.66**
Aggregate value of quoted investments		-	-
Aggregate market value of quoted investments		-	-
Aggregate Value of unquoted investments		**42,371.80**	**39,998.66**
Aggregate Value of impairment in the value of investments		-	-

Note 8 : Financial assets - Current Investments **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Investments In Bonds / Commercial Paper - At FVTPL		
Quoted		
Maharashtra State Development Loan (Coupon Rate - 7.58%)	-	73.94
Punjab State Development Loan (Coupon Rate - 8.96%)	31.27	93.82
Rajasthan State Development Loan (Coupon Rate - 8.96%)	-	63.97
Tamilnadu State Development Loan (Coupon Rate - 8.80%)	-	103.57
Add : Fair Value Gain / (Loss)	0.04	17.41
Unquoted		
IL & FS Commercial Paper	1.00	1.00
Total (Bonds / Commercial Paper)	**32.31**	**353.71**
Total Current Investments	**32.31**	**353.71**
Aggregate value of quoted investments	31.27	335.30
Aggregate market value of quoted investments	31.32	352.70
Aggregate Value of unquoted investments	1.00	1.00
Aggregate Value of impairment in the value of investments	-	-

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 5: Non current loans (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Loans (Unsecured, considered good)		
Security Deposits	33.66	562.04
Loans and Advances to others	936.24	225.17
Less : Allowance for loans	(5.83)	(4.74)
Total	**964.07**	**782.47**

Breakup of security details (₹ in Lakhs)

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
Loans considered good - Secured	-	-
Loans considered good - unsecured	969.90	787.21
Loans considered doubtful - unsecured	-	-
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**969.90**	**787.21**
Allowance for loans	(5.83)	(4.74)
Total Non-current loans	**964.07**	**782.47**

Note 6 : Deferred tax assets/Liability (net) (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Deferred tax asset on account of:		
MAT Credit Entitlement	-	-
Employee related provisions and liabilities	13.07	9.61
Leases	14.27	31.09
<u>Other liabilities and provisions</u>		
Loss allowances for debtors and loans	74.49	59.23
Disallowance u/s 40(a)(ia)	59.84	-
Deferred tax liability on account of:		
Property plant and equipments and Intangible assets	(8.93)	(45.54)
Borrowings	(177.64)	(53.56)
Net deferred tax assets	**-**	**0.83**

Note : Basis the accounting policy followed company havent recognised Deferred Tax Asset.

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Movements in deferred tax assets/(liabilities) (₹ in Lakhs)

Particulars	MAT Credit Entitlement	Employee related provisions and liabilities	PPE	Leases	Borrowings	Other liabilities and provisions including disallowance u/s 40(a)(ia)	Total
At March 31, 2019	389.89	10.73	(42.76)	-	(53.56)	93.09	397.39
(Charged) / Credited							
- to profit or loss	(254.79)	(7.25)	(2.77)	16.30	-	(33.86)	(282.37)
- to other comprehensive income	-	6.13	-	-	-	-	6.13
- to retained earnings	-	-	-	14.79	-	-	14.79
- to provision for tax	(135.10)	-	-	-	-	-	(135.10)
At March 31, 2020	-	9.61	(45.54)	31.09	(53.56)	59.23	0.83
(Charged) / Credited	-						
- to profit or loss	-	3.46	36.61	(16.82)	(124.08)	100.00	(0.83)
- to other comprehensive income	-	0.00	-	-	-	-	0.00
- to retained earnings	-	-	-	-	-	-	-
- to provision for tax	-	-	-	-	-	-	-
At March 31, 2021	-	13.07	(8.93)	14.27	(177.64)	159.23	(0.00)

Note 7: Other Non current Assets (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Prepaid Expenses	0.42	-
Total	**0.42**	**-**

Note 9: Trade Receivables (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Receivables from related parties	0.55	117.08
Receivable from others	5.30	5.01
Less: Allowance for trade receivables	(5.58)	(5.01)
Total	**0.27**	**117.08**
Current portion	0.27	117.08
Non-current portion	-	-
Total	**0.27**	**117.08**

Breakup of security details (₹ in Lakhs)

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - unsecured	0.27	117.08
Trade receivables considered doubtful - unsecured	5.58	5.01
Trade receivables which have significant increase in credit	-	-
Trade receivables – credit impaired	-	-
Total	**5.85**	**122.10**
Allowance for doubtful trade receivables	**(5.58)**	**(5.01)**
Total trade receivables	**0.27**	**117.08**

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 10: Cash and cash equivalents **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance with banks		
In current and deposit accounts	365.16	166.13
Cash in hand	0.44	0.35
Total	**365.60**	**166.48**

Note 11 : Bank Balances other than cash and cash equivalents **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Escrow Account with Yes Bank Ltd*	786.04	786.04
Total	**786.04**	**786.04**

*The Company has deposited ₹ 786.04 lakhs 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 EbixCash World Money Limited (Formerly known as Centrum Direct Limited)

Note 12: Current loans **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Loans (Unsecured, considered good)		
Security Deposits	271.56	-
Loans to related parties	23.77	3,711.52
Loans and Advances to others	46,138.31	31,181.14
Advances to employees	1.85	23.32
Less: Allowance for loans	(275.10)	(203.16)
Total	**46,160.39**	**34,712.82**

Breakup of security details **(₹ in Lakhs)**

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
Loans considered good - Secured	-	-
Loans considered good - unsecured	46,160.39	34,712.82
Loans considered doubtful - unsecured	275.10	203.16
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**46,435.49**	**34,915.98**
Allowance for loans	(275.10)	(203.16)
Total Current loans	**46,160.39**	**34,712.82**

1. Loans to related Parties - Interest Rate - 9% - 13%, Maturity date - 30th April, 2020 to 31st March 2021 (Previous year Interest Rate - 9% - 13%, Maturity date - 30th April, 2019 to 31st March 2020)
2. Loans to Others - Interest rate - 9% - 13%, Maturity Date - 31st march, 2021 (Previous year Interest rate - 9% - 11%, Maturity Date - 31st march, 2020)

Note 13: Other current financial assets (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Margin placed with broker	15.83	2,736.38
Derivatives - index option contracts (net) at FVTPL	359.12	
Other receivables	60.97	108.95
Total	**435.92**	**2,845.33**

Note 14 : Current tax asset (net) (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Unsecured, considered good		
Advance Tax {Net of Provision for Tax ₹ 3,957.82 Lakhs, (Previous year ₹ 4,235.93 Lakhs)	606.05	770.32
Total	**606.05**	**770.32**

Note 15: Other Current Assets (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Prepaid Expenses	4.14	12.00
Balance with revenue authorities	119.97	235.03
Contract Assets	5.03	7.80
Other Advances	117.16	8.48
Total	**246.30**	**263.31**

Note 16: Share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
3,80,00,000 (Previous Year: 3,80,00,000)		
Equity shares of Rs 10/- each	3,800.00	3,800.00
Total	**3,800.00**	**3,800.00**
Issued, Subscribed and Fully Paid up		
3,55,46,535 (Previous Year: 3,55,46,535)		
Equity shares of Rs 10/- each	3,554.65	3,554.65
Total	**3,554.65**	**3,554.65**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Number of shares	Number of shares
Equity Shares at the beginning of the year	3,55,46,535	3,55,46,535
Less: Movemnet during the year	-	-
Equity Shares at the end of the year	3,55,46,535	3,55,46,535

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to

(c) Shares held by holding Company

Particulars	As at 31st March, 2021	As at 31st March, 2020
Centrum Capital Limited	3,37,17,089	3,35,32,087

(d) Details of shareholders holding more than 5% of the aggregate shares in the Company

Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	%	Number of shares	%
Centrum Capital Ltd, holding Company	3,37,17,089	94.85%	3,35,32,087	94.33%
Amritpal Singh Bindra	18,29,446	5.15%	20,14,448	5.67%
	3,55,46,535	**100.00%**	**3,55,46,535**	**100.00%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 17 : Other Equity **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Securities Premium	22,308.24	22,308.24
Retained Earning	8,617.44	9,870.73
Capital Redemption Reserve	78.97	78.97
Debenture Redemption Reserves	4,052.85	5,451.25
General Reserves	2,360.90	962.50
Capital Contribution	36.85	29.08
Total	**37,455.25**	**38,700.77**

Movements in Reserves

(i) Securities Premium

Securities Premium is used to record premium on issue of shares. The reserve is utilised as per the provisions of the companies Act 2013.

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance at the beginning of the year	22,308.24	22,308.24
Movement during the year	-	-
Balance at the end of the year	**22,308.24**	**22,308.24**

(ii) Retained earning

Retained Earning are the profit of the company earned till date net of appropriations **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance as the beginning of the year	9,870.73	10,332.42
Adjustment to reserves on account of IND AS 116	-	(38.37)
Profit during the year	(1,259.14)	(408.39)
Transfer to Debenture Redemption Reserves	-	-
Remeasurement of Post Employment benefits obligations (net of tax)	5.85	(14.93)
Balance at the end of the year	**8,617.44**	**9,870.73**

(iii) Capital Redemption Reserve

Capital Redemption Reserve is created out of Retained Earnings being the sum equal to the nominal value of shares bought back in the previous year and it is non distributable reserve. **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance as the beginning of the year	78.97	78.97
Movement during the year	-	-
Balance at the end of the year	**78.97**	**78.97**

(iv) Debenture Redemption Reserve

Debenture Redemption Reserve is created out of the profits of the Company for the purpose of redemption of Debentures issued by the Company. **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance as the beginning of the year	5,451.25	6,295.00
Movement during the year		-
Transfer to General reserves	(1,398.40)	(843.75)
Balance at the end of the year	**4,052.85**	**5,451.25**

(v) General Reserves

General Reserve is created against redemption of debentures issued by the Company. **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Balance as the beginning of the year	962.50	118.75
Transfer from Debenture Redemption Reserve	1,398.40	843.75
Balance at the end of the year	**2,360.90**	**962.50**

CENTRUM RETAIL SERVICES LIMITED
Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 18: Non-current Borrowings (₹ in Lakhs)

Particulars		As at 31st March, 2021	As at 31st Mar, 2020
Secured - at amortised cost*			
Non Convertible Market Linked Debentures -		25,852.19	24,515.50
(Secured by 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)			
Maturity Year	**Amount**		
2024-2025	85,18,51,574		
2022-2023	38,81,39,019		
2021-2022	90,90,48,888		
Total	**2,14,90,39,481**		
Term Loan from Banks			
South Indian Bank		1,406.85	1,357.22
Secured by Office property at Centrum House, Rate of Interest - Floating Rate of MCLR + 1.25 %, repayable in 162 EMIs of Rs. 16,14,879 from 31-03-2021, Maturity date - 14th September, 2034 as the company opted for Loan Moratorium facility as provided by the Lending Bank (Previous year 167 EMIs of ₹ 15,70,600 from 31-03-2020, Maturity date - 14th March 2034)			
Term Loan from others			
Vehicle Loan from Kotak Mahindra Prime Ltd (Secured against Motor Car)		1.19	3.86
Rate of Interest - 9.42% p.a, Payable in 36 EMIs of Rs. 24,115 from 21-08--2018, Maturity Date :- 06-07-2021 (Previous year Payable in 36 EMIs of Rs. 24,115 from 21-08--2018, Maturity Date :- 06-07-2021)			
Total		**27,260.23**	**25,876.58**
Less: Current maturities of long term debt		10,307.38	9,649.02
Less : Interest accrued		4,368.55	5,829.93
Total		**12,584.29**	**10,397.63**

Net Debt Reconciliation (₹ in Lakhs)

Cash and Cash equivalents	365.60	166.48
Current borrowings	(21,285.99)	(11,642.84)
Non Current borrowings	(27,260.23)	(25,876.58)
Total	(48,180.62)	(37,352.94)

(₹ in Lakhs)

Particulars	Cash and Bank	Current Borrowings	Non current Borrowings	Total
Net Debt as on 31st March, 2019	46.59	(455.00)	(26,331.71)	(26,740.12)
Cash flows	119.89	(11,156.00)	2,784.18	(8,251.93)
Interest expense	-	(986.34)	(2,864.25)	(3,850.59)
Interest paid	-	954.50	535.20	1,489.70
Other non cash adjustments	-	-	-	
Net Debt as on 31st March, 2020	**166.48**	**(11,642.84)**	**(25,876.58)**	**(37,352.94)**
Cash flows	199.12	(9,668.24)	(2,795.34)	(12,264.45)
Interest expense	-	(2,307.30)	(3,355.82)	(5,663.12)
Interest paid	-	2,332.38	4,768.96	7,101.34
Other non cash adjustments	-		(1.45)	(1.45)
Net Debt as on 31st March, 2021	**365.60**	**(21,286.00)**	**(27,260.24)**	**(48,180.62)**

Note 19: Other Non-Current financial liabilities (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Embedded Derivative portion in market linked debentures carried at FVTPL	2,017.94	472.09
Interest Accrued but not due - Market Linked Debentures	354.58	2,562.00
Others	6.26	0.35
Total	**2,378.78**	**3,034.44**

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 20: Provisions (Non-Current) **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Provisions for employee benefits		
Compensated Absences	19.59	20.69
Total	**19.59**	**20.69**

Note 21: Current Borrowings **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Unsecured Loans		
Related parties	20,562.75	10,301.00
Others	716.49	1,310.00
Total	**21,279.24**	**11,611.00**

Note 22: Trade Payables **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Trade Payables		
- Related parties	2.38	212.20
- Micro and Small enterprises	-	-
- others	153.72	152.96
Total	**156.10**	**365.16**

Note 23: Other Current Financial Liabilities **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Current Maturities of long term debt	52.38	47.11
Current maturities of non convertible market linked debentures	10,255.00	9,601.91
Interest Accrued but not due - Others	6.76	31.84
Interest Accrued but not due - Market Linked Debentures	4,007.22	3,261.10
Embedded Derivative Portion in Market Linked Debentures carried at FVTPL	1,177.75	432.73
Derivatives - index option contracts (net) at FVTPL	-	915.69
Expense payable	0.26	29.25
Security Deposit Received	86.73	
Book Overdraft	-	84.14
Total	**15,586.10**	**14,403.77**

Note 24: Other Current Liabilities **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Others		
Statutory Dues	180.93	103.33
Total	**180.93**	**103.33**

Note 25: Provisions (Current) **(₹ in Lakhs)**

Particulars	As at 31st March, 2021	As at 31st Mar, 2020
Provisions for employee benefits		
Gratuity	24.94	7.55
Compensated Absences	5.73	6.29
Others		
- Leave Travel Allowance	34.77	28.14
- Bonus	-	20.00
Total	**65.44**	**61.98**

CENTRUM RETAIL SERVICES LIMITED

Notes forming part of the financial statements for the Year ended 31st March, 2021

Note 26: Revenue from operations (₹ in Lakhs)

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Business support services	3,251.10	3,651.89
Interest Income	4,526.20	3,969.77
Net gain / (loss) on fair value changes on financial instruments held for trading measured at fair value through Statement of profit and loss		
- Realised	6.08	0.32
- Unrealised	-	-
Total	**7,783.38**	**7,621.97**

Note 27: Other income (₹ in Lakhs)

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Miscellenous Income	3.47	7.17
Interest On Income tax Refund	0.35	-
Proceeds from share of profit from joint arrangement with subsidiary	-	687.43
Total	**3.81**	**694.60**

Note 28: Other gains/(losses) - net (₹ in Lakhs)

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Unwinding of discount on security deposits	52.11	40.76
Fair value changes in investments held as fair value through Profit and loss. (Net)		
- Realised	178.28	209.35
- Unrealised	570.15	-
Gain on Lease Termination	89.33	-
Others	0.78	5.63
Total	**890.65**	**255.74**

Note 29: Employee benefit expense (₹ in Lakhs)

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Employee Remuneration & Benefits	858.57	1,368.61
Contribution to Provident and other funds	74.09	66.58
Staff welfare expenses	4.79	24.26
Total	**937.45**	**1,459.45**

Note 30: Finance Costs (₹ in Lakhs)

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Interest on financial liabilities measured at amortized cost	2,308.81	1,150.90
Interest on Market Linked Debentures	3,360.62	2,133.15
Interest on Delayed payment of Statutory Dues	16.53	286.76
Net Interest on Employee Benefit Expense	0.50	1.07
Interest on Lease Liability	168.02	191.71
Total	**5,854.48**	**3,763.59**

Note 31: Other Expenses **(₹ in Lakhs)**

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Business Promotion and Advertisement Expenses	29.70	24.05
Payments to Auditor (Also Refer Note No. 40)	5.40	6.40
Business Support Services	626.46	792.72
Communication and Internet Expenses	24.54	5.36
Information technology related expenses	10.78	19.38
Commission & Brokerage	8.50	1.00
Donation	-	3.23
Electricity Expenses	3.11	32.19
Professional & Legal Fees	615.53	1,118.93
Director Sitting Fees	10.50	13.20
Printing & Stationery	0.96	3.32
Rent Rates & Taxes	91.11	530.29
Property Plant Equipment Written off	119.51	-
Repair & Maintenance	21.55	79.27
Traveling and Conveyance	74.70	66.68
Stamp Duty and registration	1.61	3.75
Bad- debts Written off	30.74	-
(Recoveries) / Allowances for Trade Receivables	0.56	(136.91)
Allowances for loans and advances	73.04	13.37
Other Office Expenses	44.42	50.07
Miscellanous Expenses	55.92	8.65
Total	**1,848.64**	**2,634.95**

Note 32: Income Tax Expenses **(₹ in Lakhs)**

Particulars	For the Year ended	
	31st March,2021	31st March,2020
Income tax expense		
Current tax	-	110.13
Tax expenses/(credit) relating to earlier years	268.54	(240.38)
Total Current tax expense	**268.54**	**(130.25)**
Deferred tax		
Decrease (increase) in deferred tax assets	0.83	279.60
(Decrease) increase in deferred tax liabilities	-	2.77
Total deferred tax expense/(benefit)	**0.83**	**282.37**
Total Income tax expense	**269.37**	**152.12**
Reconciliation of tax expense to the accounting profit		
Profit/(Loss) before income tax expense	(989.77)	(256.24)
Tax at the Indian tax rate of 26% (2019-2020 27.82%)	(257.34)	(71.29)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of allowed / disallowed expenses as per Income Tax Act, 1961	1.45	83.23
Items on Which Deferred tax not Recognised	257.24	380.56
Adjustments for current tax of prior periods	268.54	(240.38)
Income tax expense	**269.88**	**152.12**

Corporate Information

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 Management Support services to group entities, directly and through other Service Providers in relation to Strategy, management, office infrastructure support, etc. CRSL also provides outsourcing services to its clients in data management providing outsourcing services to clients in data management, Information Technology and Marketing Activities. Also CRSL is in the business of providing Inter Corporate deposits, short term Loans and dealing in securities. The Company's registered office is in Mumbai, Maharashtra, India.

The company is a subsidiary company of Centrum Capital Limited (CCL) which holds 3,37,17,089 shares aggregating to 94.85% of shareholding.

1.0 Summary of Significant accounting policies

1.1 Basis of Preparation of Financial Statements

The Financial Statements of the Company have been prepared and presented in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention and on accrual basis of accounting except for the following:

- Certain financial instruments (including Derivative Instruments) and Defined benefit plan – plan assets are measured at fair value and

The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (The 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016 (as amended).

Accounting policies have been consistently applied for all years presented, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Rupees in Lakhs and all values are rounded to the nearest two decimals, except otherwise indicated.

1.2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II to Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division II to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards.

1.3 Current/ Non-current classification:

An asset is classified as Current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
(b) it is held primarily for the purpose of trading;
(c) it is expected to be realised within twelve months after the reporting period; or
(d) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

A liability is classified as Current if:

(a) it is expected to be settled in normal operating cycle;
(b) it is held primarily for the purpose of trading;
(c) it is expected to be settled within twelve months after the reporting period;
(d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-current.

Deferred tax assets/liabilities are classified as Non-current.

The operating cycle is the time between acquisition of assets for processing/generating and its realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

1.4 Property, plant and equipment

Property, plant & equipment are stated at cost or deemed cost less accumulated depreciation, amortization and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and condition necessary for it to be capable of operating in the intended manner and purposes. When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

Subsequent expenditure related to an item of Property, Plant and Equipment is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out whenever they are incurred.

When a Property, plant and equipment is replaced, the carrying amount of replaced asset is derecognized.

Property, plant and equipment are derecognized from financial statement on disposal or when no future economic benefits are expected from its use. Gains or losses arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) 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.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

Depreciation

Depreciation on Property, plant and equipment is provided from the date the asset is ready for its intended use or put to use whichever is earlier. Depreciation on property, plant and equipment is provided on straight-line method to allocate their cost, net of their residual values over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management. In respect of assets sold/discarded, depreciation is provided up to the date of disposal. Leasehold improvements are amortized over a period of lease or useful life, whichever is less.

Estimated Useful Life of the assets is tabulated below: **Nature of Assets**	**Estimated useful life**
Buildings	60 years
Computers- End user devices such as desktops, laptops, etc.	3 years
Computers- Servers and Networks	6 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Electrical Installations and Equipment	10 years
Vehicles	8 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively.

1.5 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment losses if any.

Acquired intangible assets are initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

Intangible assets with finite lives are amortised over the estimated useful economic life of the assets by using straight-line method and assessed for impairment whenever there is an indication that the intangible asset may have been impaired.

Other Expenses incurred relating to Software during the development stage prior to its intended use, are considered as software development expenditure and disclosed under Intangible Assets under Development.

Intangible assets are amortised over their estimated economic useful life.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditures are recognised in the Statement of Profit and Loss as and when the same is incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.6 Borrowing cost

Borrowing costs include interest expense calculated using the effective interest method. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use. Other borrowing costs are expensed out in the period in which they are incurred.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs calculated for capitalisation.

1.7 Impairment of property, plant and equipment and intangible assets

Consideration is given at each reporting date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is assessed and impairment loss is recognized if the carrying amount of an asset exceeds its assessed recoverable amount. The recoverable amount is assessed as higher of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognized in respect of a cash-generating unit is allocated to reduce the carrying amount of the assets of the cash-generating unit on a pro-rata basis. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Segment reporting

Operating Segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's chief operating decision maker is the Managing Director.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on a suitable basis. Revenue and expenses which are not attributable or allocable to any segments are disclosed as unallocable items.

1.9 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable and excludes any tax collected from the Customers. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue, the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Company derives revenue primarily from Management services and various other financial activities, which includes trading of securities and lending activities.

Revenue from Services and Operations

Revenue from Management services rendered is recognised at point in time on satisfaction of performance obligation. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenue in excess of invoicing are classified as contracts assets (Which we refer as unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (Which we refer to as unearned revenues).

Income from trading in securities

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

Income from Derivative instruments
The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk.

Realized Profit or Loss on closed positions of derivative instruments is recognized on final settlement or squaring-up of the contracts. Outstanding derivative contracts are measured at fair value through Profit and Loss as at the balance sheet date.

Interest income
Interest income from financial Assets is recognised using effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the EIR includes all transaction cost and fees that are incremental and directly attributable to the acquisition of a financial asset.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the Interest income accrued on credit impaired financial assets are either accounted for as income or written off.

Profit or Loss on Sale of Investments
Profit or 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.

Dividend Income

Dividend Income is recognized when the right to receive the payment is established, which is generally, when shareholders of the Investee company approves the said dividend.

Net Gain/Loss on fair value changes

Any differences between the fair values of financial instruments classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss and the same is disclosed under "Fair value changes in investments held as fair value through Profit and loss (Net)" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is disclosed under "Fair value changes in investments held as fair value through Profit and loss (Net)" in the Statement of Profit and Loss. As at the reporting date the Company does not have any financial instruments/debt instruments measured at FVOCI.

Other Income and Expense

Other income and expenses are recognized in the period in which they occur.

1.10 Employee benefits

Short-term obligations

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences and cost of bonus, ex-gratia are recognised during the period in which the employee renders the related service.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Defined contribution plans

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the fund is due. There are no other obligations other than the contribution payable to the fund.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Long-term employee benefits:
These obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Compensated Absences

The eligible employees are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling limit as per companies policy. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefit is determined using the projected unit credit method.

The liability is provided based on the number of days of unutilised leave at each balance sheet date based on a valuation by an independent actuary.

1.11 Taxation

The income tax expense or credit for the period is the tax payable/(credit receivable) on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It creates Income Tax

provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised in future. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred Tax assets are also recognised with respect to carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses unused tax credits can be utilised.

It is Probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- The entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- Tax planning opportunity are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and accounted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum alternate tax (MAT)

Minimum Alternative Tax (MAT) is recognised, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to the Statement of Profit and Loss and included in deferred tax assets. The Company reviews the same at each reporting date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instrument. Normal purchase and sale of financial assets are recognised on trade-date, i.e the date on which the Company commits to purchase or sell the said financial asset.

On initial recognition, the Company measures a financial asset at its fair value adjusted for the transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset (other than financial asset carried at fair value through profit or loss). Transaction costs of financial assets carried at fair value through profit or loss are accounted in Statement of profit and loss immediately.

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Classification, recognition and measurement

The company classifies its financial assets as under:

a) those to be measured at fair value at each reporting period (either through other comprehensive income, or through Statement of profit and loss), and
b) those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and whether the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Business Model: The business model reflects how the Company manages the assets in order to generate cash flows i.e., whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows from the sale of asset. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of ‘other’ business model and measured at FVTPL. Factors considered by the Company in determining the business model for group of assets include past experience on how the cash flows for these assets were collected, how risks are assessed and managed. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Cash flow Characteristics Test: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

Measurement:
A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test**: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

• **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• **Business model test**: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets before Contractual Maturity.

• **Cash flow characteristics test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

Equity Instruments

Equity instruments is a contract that evidences residual interest in the assets of the Company after deducting all its liabilities. The Company subsequently measures all equity investments, other than investments in subsidiaries, associates and joint ventures, under the scope of Ind AS 109 at fair value. Changes in the fair value of these instruments are recognized in Statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value. All equity investments are measured at fair value, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

For assets measured at fair value, gains and losses will either be recognised in Statement of profit and loss or in other comprehensive income. For investments in debt instruments, recognition depends on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	**Classification**	**Rationale for classification**	**Initial measurement**	**Subsequent measurement**
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on de-recognition of the financial instrument measured at amortised cost recognised in Statement of Profit and Loss.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in Statement of Profit and Loss. Interest income, transaction cost and discount or premium on acquisition are recognized in to Statement of Profit and Loss

				(finance income) using effective interest rate method. On de-recognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Statement of Profit and Loss in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to Statement of Profit and Loss	Change in fair value of such assets including interest income are recorded in Statement of Profit and Loss as other gains/ (losses) in the period in which it arises.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument are recorded in OCI. On disposal of such instruments, no amount is reclassified to Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in Statement of Profit and Loss.

		on initial recognition and is irrevocable.		
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to Statement of Profit and Loss	Change in fair value of such assets are recorded in Statement of Profit and Loss.

Investments in subsidiaries, associates and joint ventures
The Company has elected to measure investments in subsidiaries, associates and joint ventures at cost as per Ind AS 27 – Separate Financial Statements, accordingly measurement at fair value through statement of profit and loss and related disclosure under Ind AS 109 does not apply.

(i) Impairment:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and Financial Guarantee Contracts. Equity Instruments are not subject to impairment under IND AS 109. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
The method and significant judgements used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in Note 34.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the company to track changes in credit risk. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If on the other hand, the credit risk on financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses. The assessment whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition instead of on evidence of a financial asset being credit impaired at the reporting date or actual default occurring.

For Financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all cash flows that the company expects to receive, discounted at the original effective interest rate.

The measurement of ECL reflects:
• An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

- The time value of money;

- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(ii) Derecognition of financial assets:

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity neither has transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset, in that case the company also recognises an associated liability, the transferred asset and associated liability are measured on the basis that reflects the rights and obligations that the company had returned.

On de-recognition of a financial asset, the difference between the assets carrying amount and the sum of consideration received and receivable is recognised in Profit or loss.

Write-off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery.

B. Financial liabilities and equity instruments :

Debt and equity instruments issued by entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of borrowings and trade payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings
- Trade and other payables

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109..

Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind AS 109 are satisfied.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(c) Financial guarantees contracts :

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derivative financial Instruments:

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Reclassification of financial instrument

The Company reclassifies debt instruments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

After initial recognition, equity instruments and financial liabilities are not reclassified.

Embedded derivatives

The embedded derivatives are treated as separate derivatives when:
- their economic characteristics and risks are not closely related to those of the host contract;
- a separate instrument with the same terms would meet the definition of a derivative; and
- a hybrid instrument is not measured at fair value.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to an index of prices or rates or other variable. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

These embedded derivatives are separately accounted for at fair value, with changes in fair value recognized in the statement of profit or loss unless the Company chooses to designate the hybrid contracts at fair value through profit or loss.

Certain market linked non-convertible debentures (MLDs) issued by the Company have returns linked to non-interest related benchmarks. Embedded derivative component of such debentures are separately accounted for at fair value and host contract. The Company manages the risk of variable payout by taking positions in futures and options of Nifty 50 Index. 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 at cost of borrowings.

Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.13 Provisions and Contingencies

Provisions are recognised when the company has a present legal or constructive 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 can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is created, the Company recognizes any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, where the related asset is no longer a contingent asset, then the same is recognised as an asset. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is not even remote.

1.14 Cash and cash equivalent:

Cash and cash equivalents, in the Statement of cash flows, comprise cash at bank and in hand and short term investments with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.15 Trade Receivables:

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditionally receivable unless they contain significant financing components, where they are recognised at fair value.

The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less any expected Credit loss allowance.

1.16 Earnings per share:

The Basic Earnings per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the 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 attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued on conversion of all dilutive potential equity shares into equity shares.

1.17 Foreign Currency Transactions:

Functional currency

The functional currency of the company is Indian Rupees ('₹'). These financial statements are presented in Indian Rupees and the all values are rounded to the nearest Lakh, except otherwise indicated.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised Statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Non-monetary items that are measured at historical cost in foreign currency are not retranslated at reporting date.

1.18 Lease

As a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(1) the contract involves the use of an identified asset

(2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities are adjusted for these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for remeasurement of lease liabilities.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The Lease payments include fixed payments less any lease incentive receivable, variable lease payments that depend on an index or rate and amount expected to be paid under residual value guarantees. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates applicable in the country of domicile of the leases. After commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of Lease liabilities are remeasured if there is a modification, a change in the lease term, a change in lease payments or a change in assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.19 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification, which would have been applicable from April 1, 2021.

1.20 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its separate disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed separately in the notes accompanying to the financial statements.

1.21 Significant accounting estimates, judgements and assumptions:

The preparation of the Company’s financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company’s accounting policies, management has made the following judgements, which have significant effect on the amounts recognised in the financial statements:

a. **Useful lives of property, plant and equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.

b. **Defined benefit plan:** The cost of the defined benefit gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. **Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

d. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

e. **Impairment of Non-Financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

f. **Impairment of Financial Assets:** The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period**.**

g. **Revenue:** The application of Accounting Standard on Revenue Recognition is complex and use of key judgments with respect to multiple deliverables, timing of revenue recognition, accounting of discounts, incentives etc. The management has reviewed such accounting treatment and is satisfied about its appropriateness in terms of the relevant IND AS.

h. **Leases**: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116.The Company uses judgements in assessing whether a contract (or a part of contract) includes a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether in-substance are fixed. The judgment involves assessment of whether the assets included in the contract is fully or partially identified asset based on the facts and circumstances, whether a contract included a lease and non-lease components and if so, separation thereof for the purposes of recognition and measurement, determination of lease term basis, inter-alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both.

i. **Fair Value measurements of Financial Instruments:** When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible , but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

j. **Provision for income tax and deferred tax** : The Company uses estimates and judgements based on the the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

Notes forming Part of Financial Statement:

33. Earnings Per Share (EPS)- (Ind AS 33)

(₹ in Lakhs)

Sr.No	Particulars	For the year ended 31st March , 2021	For the year ended 31st March , 2020
1	Face Value per equity share **(in ₹**)	10	10
2	**Basic Earning per share (in ₹**)	(3.54)	(1.15)
3	Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	**(1,259.14)**	**(408.39)**
4	Weighted Average number of equity shares used as denominator for calculating Basic EPS **(in No.s)**	3,55,46,535	3,55,46,535
5	**Diluted Earnings per share (in ₹**)	(3.54)	(1.15)
6	Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	**(1,259.14)**	**(408.39)**
7	Weighted Average number of equity shares used as denominator for calculating Diluted EPS **(in No.s)**	3,55,46,535	3,55,46,535
8	**Reconciliation of Weighted average number of shares outstanding**		
9	Weighted Average number of equity shares used as denominator for calculating Basic EPS **(in No.s)**	3,55,46,535	3,55,46,535
10	Total Weighted Average potential Equity Shares	-	-
11	Weighted Average number of equity shares used as denominator for calculating Diluted EPS **(in No.s)**	3,55,46,535	3,55,46,535

34. Financial Risk Management Objectives and Policies

The Company’s financial risk management is an integral part of how to plan and execute its business strategies. The Company’s activities expose it to a variety of its financial risk such as interest rate risk, credit risk, liquidity risk and market risk. The Company has in place a mechanism to identify, assess, monitor and mitigate above risks to achieve business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

Market Risk

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the value of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:-

Exposure to interest rate risk **(₹ in Lakhs)**

Particulars	As at 31st March 2021	As at 31st March 2020
Floating Rate Borrowings (Current + Non-current)	1,414.80	1,369.23

Interest rate sensitivity

A change of 1% in interest rates would have following impact on profit before tax **(₹ in Lakhs)**

Particulars	As at 31st March 2021 *	As at 31st March 2020 *
1% increase in interest rate – Decrease in Profit	(14.15)	(13.69)
1% decrease in interest rate – increase in Profit	14.15	13.69

* Interest Rate sensitivity analysis has been prepared assuming amount of Floating rate financial liability outstanding at the end of reporting period was outstanding for the year.

Foreign Currency Risk

The Company is not exposed to Significant foreign currency risk as at the respective reporting dates.

Liquidity Risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity funding as well as settlement management. In addition to that, all processes and policies related to such risk management are also overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

The details regarding the contractual maturities of significant non derivative financial liabilities as on March 31, 2021 are as follows: **(₹ in Lakhs)**

Particulars	Less than 1 year	1-2 Years	2-4 years	More than 4 years	Total
Secured Loan					
(a) Debt Securities	10,255.00	5,516.00	9,375.00	-	25,146.00
(b) Other than Debt Securities	52.38	56.70	132.33	1,173.37	1,414.78
Unsecured loan	21,279.24	-	-	-	21,279.24
Trade Payable	156.10	-	-	-	156.10
Expenses Payable	0.26	-	-	-	0.26
Interest accrued but not due	4,013.98	85.98	268.16	-	4,368.12
Others	6.26	-	-	-	6.26

The details regarding the contractual maturities of significant non derivative financial liabilities as on March 31, 2020 are as follows: **₹ in Lakhs**

Particulars	Less than 1 year	1-2 Years	2-4 years	More than 4 years	Total
Secured Loan					
(a) Debt Securities	11,550.00	10,255.00	-	-	21,805.00
(b) Other than Debt Securities	33.15	52.81	115.87	1,152.41	1,354.24
Unsecured loan	11,611.00	-	-	-	11,611.00
Trade Payable	393.29	-	-	-	393.29
Expenses Payable	29.25	-	-	-	29.25
Interest accrued but not due	3,299.77	2,562.00	-	-	5,861.77
Others	0.26	0.09	-	-	0.35

The amounts disclosed in the table are the contractual undiscounted cash flows.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial credibility of customers, taking into account the financial condition, current economic trends, and analysis of historical credit losses and trade receivables ageing and accordingly Individual risk limits are set.

The company considers the possibility of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting date. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk arises from cash and cash equivalents, loans, and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with limits set by the board.

Definition of Default

For Trade receivables, definition of default has been considered at 360 days past due after looking at the historical trend of receiving the payments.

A default on a other financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Impairment of Financial assets

The Company has following assets that are subject to expected credit loss model:

- Trade receivables for provision of services and
- Loans carried at amortised cost
- Other receivables

Trade and Other Receivables:

The expected loss rates are based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables as per the Internal Valuation with a management overlay

Cash and Bank balances:

The Company held cash and bank balance of ₹ 365.60 lakhs at March 31, 2021 (March 31, 2020: ₹ 166.48 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

Loans:

All of the entity’s debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses.

Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Measurement of Expected Credit Losses

The company has applied a three-stage approach to measure expected credit losses (ECL) on loans. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.
(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.
(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, Company assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, Company uses information that is relevant and available without undue cost or effort. This includes Company’s internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The company assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the company considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from Company's internally developed statistical models and other historical data.

Probability of Default (PD)

Borrowers have been classified into two asset classes - Corporate and Retail. For Corporate borrowers, PD has been mapped using the credible external rating study. For retail borrowers, due to insufficiency of historical data proxy of PD has been mapped from other portfolio of same entity. In case entity does not have any other portfolio, then rating of CCL (group company) has been used to compute PD.

Loss Given Default (LGD)

Historical recovery is usually considered to calculate Loss Given Default (LGD). For all stages, cases (DPD> 90) are considered while arriving at historical LGD. Recovery period for all the cases are 6 months, the capping is based on assumption that maximum recovery gets incurred within 6 months of default and after that recovery is negligible. For Company significant data for computation of LGD was not available. Hence, Basel reference is used for LGD. Accordingly, we have used 65% as LGD which corresponds against Senior Unsecured Claims.

Exposure at default (EAD)

Exposure at default is the total value an entity is exposed to when a loan defaults. It is the predicted amount of exposure that an entity may be exposed to when a debtor defaults on a loan. The outstanding principal and outstanding arrears reported as of the reporting date for computation of ECL is used as the EAD for all the portfolios.

Expected credit losses for trade receivables under simplified approach **(₹ in Lakhs)**

Ageing	**Not due**	**0-30 days past due**	**31-60 days past due**	**61-90 days past due**	**More than 90 days past due**	**Total**
Gross carrying amount Trade receivables	-	**0.31**	-	-	**5.54**	**5.85**
Expected loss rate	-	10.98%	0.00%	0.00%	100%	
Expected credit losses	-	0.04	-	-	5.54	**5.58**
Carrying amount Trade receivables (net of impairment)	-	**0.27**	-	-	-	**0.27**

Expected credit losses for loans and security deposits **(₹ in Lakhs)**

Particulars		**Asset group**	**Estimated gross amount of default**	**Expected probability of default**	**Loss given default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Loss allowance measured at 12 month expected	Financial assets for which credit risk has not increased significantly	Unsecured loans	47,100.18	0.91%	65.00%	278.60	46,821.58
		Security Deposits	394.63	0.91%	65.00%	2.33	392.30

credit losses	since initial recognition						
Loss allowance measured at life time expected credit losses	Financial assets for which credit risk has significantly increased and not credit impaired	Unsecured loans/ Loans and advances	NA				
	Financial assets for which credit risk has significantly increased and credit impaired	Unsecured loans/ Loans and advances	NA				

Reconciliation of loss allowance provision – Trade receivables **(₹ in Lakhs)**

Reconciliation of Loss Allowance	**Amount**
Loss allowance as on 1 April 2019	141.92
Add: Changes in loss allowance	(136.91)
Loss allowance as on 31 March 2020	5.01
Add: Changes in loss allowance	0.57
Loss allowance as on 31 March 2021	5.58

Reconciliation of loss allowance provision – Loans and Security Deposits **(₹ in Lakhs)**

Reconciliation of Loss Allowance	**Loan & Advances**	**Security Deposits**
Loss allowance as on 1 April 2019	**191.10**	**3.42**
Add: Changes in loss allowance	13.50	0.13
Loss allowance as on 31 March 2020	**204.60**	**3.29**
Add: Changes in loss allowance	74.00	(0.96)
Loss allowance as on 31 March 2021	278.60	2.33

35. Capital

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities or sell assets to reduce debts. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Other Risk :
Impact of COVID 19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses were forced to limit their operations for indefinite periods. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide.

The Company has assessed the possible effects that may result from the pandemic. The company believes that they have managed the disruption with transition to online engagements and are hopeful of returning to normalcy during the course of FY 21-22. The Company believes that there is no sustainable or permanent impact on long term demand for the services offered by the company and the prospects remain attractive. The Company believes that, sufficient liquidity would be available for the Company on the short term and the Company would generate operating cash flows in the longer term to meet its obligations. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in the future periods if any.

36. Fair Value Measurement

A. Accounting classification and fair values

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2021

₹ in Lakhs

Financial Assets and Liabilities	**31-03-2021**			
	Amortised cost	**FVTPL**	**FVOCI**	**Total**
Financial Assets				
Investments*				
Mutual Fund	-	-	-	-
Government Securities	-	31.32	-	31.32
Commercial Papers	-	1.00	-	1.00
Others	-	3,646.02	-	3,646.02
Derivatives not designated as hedges	-	359.12	-	359.12
Trade receivables	0.28	-	-	0.28
Loans and Advances	471,24.46	-	-	471,24.46
Cash and Cash Equivalents	365.60	-	-	365.60
Bank Balance other than Cash and Cash Equivalents	786.04	-	-	786.04
Other Financial Assets	76.79	-	-	76.79
Total Financial Assets	48,353.18	4,037.46	-	52,390.64
Financial Liabilities				
Derivatives instruments designated	-	3,195.69	-	3,195.69
Borrowings	33,863.53	-	-	33,863.53
Trade Payables	156.10	-	-	156.10
Lease liabilities	1,266.88	-	-	1,266.88
Other Financial Liabilities	14,769.19	-	-	14,769.19
Total Financial Liabilities	**50,055.70**	**3,195.69**	**-**	**53,251.39**

Financial Assets and Liabilities	**31-03-2020**			
	Amortised cost	**FVTPL**	**FVOCI**	**Total**
Financial Assets				
Investments*				
Mutual Fund	-	-	-	-
Government Securities	-	352.70	-	352.70
Commercial Papers	-	1.00 -	-	1.00
Others	-	1,563.47	-	1,563.47
Derivatives not designated as hedges	-	-	-	-
Trade receivables	117.08	-	-	117.08
Loans and Advances	35,495.29	-	-	35,495.29
Cash and Cash Equivalents	166.48	-	-	166.48
Bank Balance other than Cash and Cash Equivalents	786.04	-	-	786.04
Other Financial Assets	2,845.33	-	-	2,845.33
Total Financial Assets	**39,410.22**	**1,917.17**	**-**	**41,327.39**
Financial Liabilities				

Derivatives instruments designated	-	1,820.51	-	1,820.51
Borrowings	22,008.63	-	-	22,008.63
Trade Payables	393.29	-	-	393.29
Lease liabilities	2,040.63	-	-	2,040.63
Other Financial Liabilities	15,617.71	-	-	15,617.71
Total Financial Liabilities	**40,060.26**	**1,820.51**	**-**	**41,880.77**

Fair Value Hierarchy **(₹ in Lakhs)**

Particulars	**Carrying Amount**	**Fair Value**		
	As at 31 March 2021	**Level 1**	**Level 2**	**Level 3**
Financial Assets at FVTPL				
Investments				
Commercial Papers	1.00	-	1.00	-
Mutual Fund	-	-	-	-
Government Securities	31.32	31.32	-	-
Others	3,646.02	3,646.02	-	-
Derivatives not designated as hedges	359.12	359.12	-	-
Total	4,037.46	4,036.46	1.00	-
Financial Liabilities at FVTPL				
Lease Liabilities	-	-	-	-
Derivatives instruments designated at FVTPL	3,195.69	3,195.69	-	-
Total	**3,195.69**	**3,195.69**	-	-

(₹ in Lakhs)

Particulars	**Carrying Amount**	**Fair Value**		
	As at 31 March 2020	**Level 1**	**Level 2**	**Level 3**
Financial Assets at FVTPL				
Investments				
Commercial Papers	-	-	1.00	-
Mutual Fund	-	-	-	-
Government Securities	352.70	352.70	-	-
Others	1,563.47	1,563.47	-	-
Derivatives not designated as hedges	-	-	-	-
Total	**1,917.17**	**1,916.17**	**1.00**	**-**
Financial Liabilities at FVTPL				
Lease Liabilities		-		
Derivatives instruments designated at FVTPL	1,820.51	1,820.51		
Total	**1,820.51**	**1,820.51**	**-**	**-**

* All Investments are disclosed except for Investments in Equity Instruments of subsidiaries & associates held at cost (FY 20-21 ₹ 38,725.78 Lakhs, FY 19-20 - ₹ 38,435.19 Lakhs)

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

37. Lease

The details of Right of Use assets held by the Company is as follows : **(₹ in Lakhs)**

Particulars	**Category of ROU asset**
	Office Premises
As at April 1, 2019	
Deemed cost as at April 1, 2019*	1,169.52
Additions	1,558.06
Disposals and transfers	2.89
Closing Gross carrying amount (31-03-2020)	**2,730.47**
Additions	891.55
Disposals and transfers	(1,983.14)
Closing Gross carrying amount (31-03-2021)	1638.88
Accumulated depreciation	
As at April 1, 2019	-
Depreciation charge during the year	801.6
Disposals and transfers	
Closing accumulated depreciation (31-03-2020)	801.6

Depreciation charge during the year	852.88
Disposals and transfers	(1,127.85)
Closing accumulated depreciation (31-03-2021)	526.63
Net carrying amount as at March 31, 2021	**1112.25**
Net carrying amount as at March 31, 2020	**1,928.86**

* Deemed cost as on 1st April, 2019 is the Value of Right of Use Assets recognised on Transition to IND AS 116 as on 1st April, 2019.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expenses in the statement of Profit and Loss. The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 10%.

The following is the movement in lease liabilities: **(₹ in Lakhs)**

Particulars	Amount
Balance as at 01-04-2019	
Additions *	2,687.54
Finance cost accrued during the period	191.71
Deletions	-
Payment of lease liabilities	838.62
Balance as at 31-03-2020	2,040.63
Additions	837.43
Finance cost accrued during the period	168.42
Deletions	(970.48)
Payment of lease liabilities	(809.12)
Balance as at 31-03-2021	1,266.88

* Additions include the value of lease liabilities of ₹ 1,222.68 Lakhs recognized on Transition to IND AS 116 as on 1st April, 2019.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis: **₹ in Lakhs**

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
up to 3 months	205.79	283.13
3 to 6 months	208.16	255.08
6 to 12 months	411.83	491.41
1 year to 3 year	422.08	706.63
More than 3 years	54.70	735.07
Total	**1,302.56**	**2,471.32**

Rental payments for short term leases and assets not considered as leases under IND AS 116 was ₹12.34 Lakhs for FY 2020-21 and ₹494.11 Lakhs for FY 2019-20.

38. Employee Benefits:

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

Actuarial Assumptions	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Discount rate (Per annum)	6.49%	6.59%
Expected rate of return on assets	6.49%	6.59%
Rate of increase in compensation levels (Per annum)	0.00%	0.00%
Attrition Rate (Per annum)	10.00%	10.00%

(Rs. In Lakhs)

Changes in the Present Value of Defined Benefit Obligation	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Opening defined benefit obligation	**108.50**	**70.31**
Interest cost	7.15	5.48
Current service cost	11.07	11.87
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Benefit paid from the fund	(14.59)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	9.29
Actuarial (Gain)/Losses on Obligations - Due to Change in Financial Assumption	0.55	(2.89)
Actuarial (Gain)/Losses on obligations- Due to Change in Experience	4.27	14.43
Closing defined benefit obligation	**116.95**	**108.50**

(Rs. In Lakhs)

Changes in the Fair Value of Plan Assets	**Year ended 31 March 2021**	**Year ended 31 March 2020**
Opening fair value of plan assets	**100.95**	**56.56**
Interest Income	6.65	4.41
Expected Return on Plan Assets	(1.03)	(0.22)
Contributions by employer	0.03	40.20
Transfer from other Company	-	-
Transfer to other Company	-	-
Benefit paid	(14.59)	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan assets at the end of the year	-	-
Total Actuarial Gain / (Loss) to be recognized	**92.01**	**100.95**

Actual Return on Plan Assets	Year ended 31 March 2021	Year ended 31 March 2020
Expected Return on Plan Assets	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Actual Return on Plan Assets	-	-

(Rs. In Lakhs)

Amount recognized in the Balance Sheet	Year ended 31 March 2021	Year ended 31 March 2020
Defined benefit obligation at the end of the year	(116.95)	(108.50)
Fair Value of Plan Assets at the end of the year	92.01	100.95
Amount recognized in the Balance Sheet	**(24.94)**	**(7.55)**

(Rs. In Lakhs)

Expenses recognised in the Statement of Profit or Loss	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	11.07	11.87
Interest cost	0.49	1.07
Expected return on plan assets	-	-
Past Service Cost (non vested Benefit) Recognised	-	-
Past Service Cost (vested Benefit) Recognised	-	-
Amount nor recognised as asset	-	-
Actuarial (Gain)/Loss	-	-
Expenses recognised in the Statement of Profit and Loss	**11.56**	**12.94**

(Rs. In Lakhs)

Expenses Recognized in the Other Comprehensive Income (OCI)	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (Gains)/Losses on Obligation For the Period	4.82	20.84
Return on Plan Assets, Excluding Interest Income	1.03	0.22
Net (Income)/ Expense for the period recognised in OCI	**5.85**	21.06

(Rs. In Lakhs)

Balance Sheet Reconciliation	Year ended 31 March 2021	As At 31 March 2020
Opening net liability	**7.55**	**13.75**
Expenses recognised in Statement of Profit or Loss	11.56	12.94
Expenses recognised in OCI	5.85	21.06
Employers Contribution	(0.03)	(40.20)
Net Liability/(Asset) recognised in Balance Sheet	**24.94**	**7.55**

39. Segment Information

The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions.

The Company is engaged mainly in providing Business Support Service and Lending Business/trading in securities. As such there are two separate reportable segment, as per the Indian Accounting Standard on Segment Reporting (Ind AS 108) notified by the Companies (Indian Accounting Standard) Rules, 2015. The Company's operations are primarily in India; accordingly, there is no reportable secondary geographical segment.

(₹ in Lakhs)

Information about Primary business Segments	**Business Support**	**Financial activities**	**Total**
Income			
Income from operations	3,392.33	4,532.28	7,924.61
Unallocable Corporate Income	-	-	753.23
Total Income	3,392.33	4,532.28	**8,677.84**
Expenditure	2,683.84	5,144.16	7,828.00
Segment Result	708.49	(611.88)	849.84
Unallocable Corporate Expenditure	-	-	1,839.61
Profit before Tax	-	-	(989.79)
Tax Expense			
Current Tax	-	-	(268.54)
Deferred Tax	-	-	0.83
Net Profit/(Loss)	-	-	**(1,259.14)**
Other Information			
Segment assets	1,700.16	47,231.50	48,931.67
Unallocable Corporate Assets	-	-	45,595.57
Total Assets			94,527.24
Segment liabilities	1,509.97	46,824.86	48,334.84
Other unallocated liabilities	-	-	5,182.50
Total liabilities			53,517.34

40. Auditors Remuneration (Excluding GST) **(₹ in Lakhs)**

Particulars	**For the Year ended 31st March,2021**	**For the Year ended 31st March,2020**
Audit Fees	2.50	2.50
Limited Review Fees	1.50	1.50
Tax Audit Fees	0.40	0.40
Certification and Other Matters	1.00	2.00
Total	**5.40**	**6.40**

41. Based on the information available with the Company and relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006".Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2021 together with interest paid /payable are required to be furnished. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicability under the said Act.

42. Related Party Transactions

A) List of Related Parties

Nature of Relationship	**Name of Party**
Holding Company	Centrum Capital Limited
Managing Director	Rajnish Bahl (up to 08th February, 2021)
	Kapil Bagla (from 08th February, 2021)
Independent Director	Subhash Kutte
Independent Director	Rajesh Budharani
Chairman(Non-Executive Director)	Steven Pinto
CFO	Narayan Krishnan (up to April 03, 2020)
	Gaurav Goyal (from 09th September, 2020)
Group CFO – KMP	Sriram Venkatasubramanian
Relative of KMP	Roopa Sriram
Subsidiary	Centrum Wealth Ltd
Subsidiary	Centrum Insurance Brokers Ltd
Subsidiary (Fellow Subsidiary till June 28, 2019)	Centrum Financial Services Limited
Step-down subsidiary	Centrum Investment Advisors Limited
Fellow Subsidiary	Centrum Housing Finance Limited
Fellow Subsidiary	Centrum Microcredit Ltd
Fellow Subsidiary	Centrum Alternatives LLP
Fellow Subsidiary	Centrum Capital Advisors Limited
Fellow Subsidiary	Centrum Alternatives Investment Managers Limited
Fellow Subsidiary (up to 22-03-2021)	Centrum REMA LLP
Fellow Subsidiary	Acorn Fund Consultants Private Limited
Associate Company	Centrum Broking Limited
Entity controlled by KMP of Holding Company	JBCG Advisory Services Pvt Ltd
Promoters having significant influence	Nanikrami Agro Private Limited
Promoters having significant influence	Club7 Holidays Ltd
Promoters having significant influence	Vishwaroop Residency Private Limited

B) Transactions during the Year and Closing balances :- **(Rs. In Lakhs)**

Name of the company	Transaction During the period		Closing Balances	
	Year ended	Year ended	As at	As at
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Acorn Fund Consultant Private Limited				
Management Support Services Income	35.00	35.00	-	-
Rent Income	12.65	16.98	-	-
Shared Resources Income	0.82	1.15	0.07	0.06
Interest Income	-	57.44	-	-
Loan Given	-	30.00	-	-
Loan Received Back	-	494.00	-	-
Centrum Alternatives Investment Managers Limited				
Rent Income	18.12	9.64	-	-
Shared Resources Income	1.22	0.89	0.10	0.08
Loan Given	-	891.00	-	-
Loan Received Back	-	891.00	-	-
Interest Income	-	22.06	-	-
Centrum Alternative LLP				
Rent Income	-	4.14	-	-
Management Support Services Income	6.00	-	-	
Expense Reimbursement	-	0.41	-	-
Centrum Broking Limited				
Management Support Services Income	230.00	318.00	-	-
Rent Income	326.38	355.68	-	1.60
Shared Resources Income	23.94	32.64	1.52	5.81
Brokerage & Commission Expense	0.06	-	-	-
DPC Charges	0.01	3.66	-	-
Interest Expense	98.32	-	-	-
Loan Given	200.00	-	-	-
Loan Received Back	200.00	-	-	-
Loan Taken	2,120.00	-	1,070.00	-
Loan Repaid	1,050.00	-	-	-
Margin placed with Brokers	-	-	15.83	2,736.38
Assignment of Loan to CRSL	-	910.00	-	-
Centrum Capital Advisors Limited				
Management Support Services Income	50.00	50.00	-	-

Rent Income	11.19	15.04	-	-
Shared Resources Income	0.69	1.28	0.05	0.08
Interest Income	-	22.78	-	-
Interest Expense	-	6.86	-	-
Loan Taken	-	345.00	-	-
Loan Repaid	-	345.00	-	-
Loan Given	-	3,135.00	-	-
Loan Received Back	-	3,135.00	-	-
Centrum Capital Limited				
Rent Income	161.55	192.96	-	0.08
Shared Resources Income	12.54	8.07	0.72	-
Rent Expense	36.00	94.50	-	33.00
Shared Resources Expenses	465.35	386.87	2.11	208.74
Interest Expense	1,282.34	472.36		-
Loan Taken	22,952.00	14,501.00	18,670.75	4,756.00
Loan Repaid	9,037.25	9,745.00	-	-
Purchase of Debentures of Centrum Financial Services Limited	-	1,545.84	-	-
Purchase of Shares of Centrum Financial Services Limited	-	4,775.78	-	-
Corporate Guarantee Received	-	-	1,405.00	1,405.00
Purchase of Lease Hold Improvement	-	281.88	-	-
Centrum Financial Services Limited				
Management Support Services Income	315.00	375.78	-	94.50
Rent Income	67.41	28.23	-	1.41
Shared Resources Income	17.83	25.11	1.69	2.93
Interest Income on CCD	150.91	151.33	-	-
Rent Expense	-	24.25	-	-
Interest Expense	392.46	287.97	-	4.68
Professional Fees Paid	-	2.78	-	-
Loan Taken	2,900.00	7,400.00	-	3,100.00
Loan Repaid	6,000.00	4,300.00	-	-
Security Deposit	-	50.00	-	9.46
Security Deposit received back	9.46	-	-	-
Corporate Guarantee Received	-	2,269.92	-	-
Corporate Guarantee Given	2,500.00	-	2,500.00	-
Share of profit from joint arrangement	-	639.43	-	-
Centrum Housing Finance Limited				
Management Support Services Income	490.00	316.00	-	-
Rent Income	65.72	90.18	-	0.11
Shared Resources Income	4.83	7.96	0.24	1.70
Interest Expense	175.55	100.37	-	1.44

Loan Taken	-	3,700.00	-	1,500.00
Loan Repaid	1,200.00	2,200.00	-	-
Security deposit received	86.73	-	86.73	-
Corporate Guarantee Given	-	-	277.85	500.05
Centrum Investment Advisors Limited				
Management Support Services Income	100.00	-	-	-
Rent Income	41.12	0.77	-	-
Shared Resources Income	3.01	0.19	0.23	0.05
Interest Expense	18.43	11.20	-	10.08
Brokerage & Commission Expense	528.79	-	-	-
Loan Taken	640.00	-	115.00	70.00
Loan Repaid	595.00	30.00	-	-
Investment in Share Capital	245.01	-	3,773.01	3,528.00
Centrum Insurance Broking Limited				
Management Support Services Income	100.00	387.89	-	-
Rent Income	21.11	219.15	-	-
Shared Resources Income	1.53	6.97	0.07	1.03
Interest Expense	81.63	9.57	-	8.62
Loan Taken	269.00	475.00	707.00	475.00
Loan Repaid	37.00	-	-	-
Centrum Micro Credit Limited				
Management Support Services Income	100.00	101.92	-	-
Rent Income	1.01	0.50	-	0.59
Shared Resources Income	-	0.75	-	-
Interest Expense	30.52	13.68	-	-
Loan Taken	500.00	400.00	-	400.00
Loan Repaid	900.00	-	-	-
Centrum REMA LLP (up to 22-03-2021)				
Management Support Services Income	35.00	60.00	-	-
Rent Income	40.12	52.47	-	-
Shared Resources Income	2.55	4.97	-	0.28
Centrum Wealth Management Limited				
Management Support Services Income	280.00	420.00	-	-
Rent Income	198.75	308.82	-	-
Shared Resources Income	21.64	39.55	0.86	5.29
Interest Income	604.20	633.79	-	570.41
Interest on MLD	3,380.50	195.03	-	-
Brokerage & Commission Expense	8.44	1.00	0.86	-1.13
Loan Given	19,195.00	17,616.00	23.77	3,711.52

Loan Received Back	22,882.75	19,550.00	-	-
MLD payment on Redemption	7,634.00	1,250.00	-	-
Money Paid Against Share Warrants	-	-	10.00	10.00
Corporate Guarantee Given	-	1,500.00	-	-
Club 7 Holidays Private Limited				
Travelling Expense	15.31	9.14	-	0.47
Car Hire Expenses	58.59	47.88	-	-
Nanikrami Agro Private Limited				
Managed Services (Operation/ Support)	48.00	48.00	-	-
JBCG Advisory Services Private Limited				
Inter-Corporate Deposits Taken	-	2,035.00	-	-
Inter-Corporate Deposits repaid	-	2,035.00	-	-
Interest Expenses	-	32.34	-	-
Vishwaroop Residency Private Limited				
Rent Expense	186.75	157.50	-	-
Remuneration To Kmp				
Key Managerial Personnel	111.87	298.05	-	-
Mr. Steven Pinto				
Director Sitting Fees	2.70	3.60	-	-
Expense reimbursement	0.03	0.24	-	-
Mr. Subhash Kutte				
Director Sitting Fees	3.90	4.80	-	-
Travelling Expense	-	0.36	-	-
Mr. Rajesh Budharani				
Director Sitting Fees	3.90	4.80	-	-
K.R. Kamath (KMP of holding Company)				
Professional Fees	60.00	-	-	-
Sriram Venkatasubramanian				
Rent Expense	5.17	9.06	-	-
Roopa Sriram				
Rent Expense	0.57	1.01	-	-
Security Deposits	-	5.00	-	5.00
Security Deposits received back	5.00	-	-	-

43 (a) **Debenture Redemption Reserve**

As per Sec.71 (4) read with 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 at a percentage to the face value of debentures issued. The amounts credited to the debenture redemption reserve shall not be utilized except to redeem debentures. Upon redemption, the reserve may be transferred to Retained Earnings.

Company has issued debentures amounting to ₹ 14,891 lakhs (Previous Year ₹ Nil lakhs) and redeemed debentures amounting to ₹ 11,550 lakhs (Previous Year ₹ 3,375 lakhs) during the year and accordingly an amount of ₹ 1,398.40 lakhs (Previous Year ₹ 843.75 lakhs) is transferred to General Reserves from Debenture Redemption Reserves.

43(b) Investment/Deposit In Respect Of Debentures Matured

As Per Rule 18, sub rule 7 of Companies (Share Capital and Debentures) Rules, 2014 (as amended from time to time), company is required to invest/deposit Fifteen percent (15%) of the amount of the debentures maturing during year ending 31st March of the next year in deposits/unencumbered securities/ unencumbered bonds of Scheduled bank, Central Government, State Government or securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882.

Company was able to deposit/invest only part of the amount required to be deposited/invested as on 31st December, 2020, however all the Debentures maturing till year ending 31st March, 2021 were redeemed on time.

44. **Social Security Code**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45. **Details of Derivative Instruments**

Details of Open Interest in Equity Index Options as at 31st March, 2021 (At Fair Value) (₹ in Lakhs)

Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 29DEC22 CE	> 12 Months	5,475.00	130.83	-	-
NIFTY 29JUN23 CE	> 12 Months	6,825.00	189.37	-	-
NIFTY 28DEC23 CE	> 12 Months	1,350.00	38.92	-	-

Details of Open Interest in Equity Index Options as at 31st March, 2020 (At Fair Value) (₹ in Lakhs)

Name of Option	Maturity Grouping	Long Position		Short Position	
		No of Units	Amount	No of Units	Amount
NIFTY 20DEC8100PUT	<10 Months	-	-	28,425	16.59
NIFTY 20DEC8300PUT	<10 Months	2,100	21.00	-	-
NIFTY 20DEC9500PUT	<10 Months	3,750	56.25	-	-
NIFTY 20DEC9800PUT	<10 Months	-	-	17,100	359.10
NIFTY 20DEC10000PUT	<10 Months	-	-	7,500	137.63
NIFTY 20DEC11000PUT	<10 Months	-	-	11,250	284.55
NIFTY 20JUN9800CALL	<10 Months	8,250	150.98	-	-
NIFTY 20JUN10000CALL	<10 Months	45,450	164.07	-	-
NIFTY 20JUN7800PUT	<10 Months	10,200	75.48	-	-
NIFTY 20JUN8100PUT	<10 Months	3,075	0.09	-	-
NIFTY 20JUN8300PUT	<10 Months	15,000	1.80	-	-
NIFTY 20JUN9500PUT	<10 Months	7,650	110.13	-	-
NIFTY 20JUN9800PUT	<10 Months	-	-	10,200	193.81
NIFTY 20JUN10000PUT	<10 Months	-	-	3,075	51.87
NIFTY 20JUN10400PUT	<10 Months	-	-	9,375	168.75
NIFTY 20JUN10600PUT	<10 Months	-	-	15,000	283.20
NIFTY 19JUN10800CALL	<10 Months	-	-	-	-

46. **Key Management Personnel Compensation** **(₹ in Lakhs)**

Particulars	31st March,2021	31st March,2020
Short term employee benefits	105.32	289.31
Post-employment benefits	6.55	8.74
Long term employee benefits	-	-
Termination benefits	-	-
Total	**111.87**	**298.05**

Note: * Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall company basis at end of each year and accordingly have not been considered in the above information

47. **Investments:**

- During the year the Company have further invested and subscribed to the Rights Issue by the Step-down Subsidiary i.e. Centrum Investment advisors Limited amounting to Rs. 245.01 Lakhs.

48. **Contingent Liabilities and Commitments** **(₹ in Lakhs)**

Particulars	**As at March 31 ,2021**	**As at March 31, 2020**
Corporate Guarantees given by the company : - Fellow Subsidiary	2,777.85	500.05
Income Tax Demand Disputed in Appeal	86.90	86.90

49. In the assessment of the management, Current assets, Loans & Advances (including capital advances) have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet. Current assets, Loans & Advances (including capital advances) are subject to confirmation and reconciliation. Other known liabilities are adequate and not in excess of what are required.

50. Previous year figures are re-grouped/re-arranged wherever necessary to conform to current year's classification.

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: 17th June, 2021

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

Steven Pinto
Chairman
DIN : 00871062

Kapil Bagla
Managing Director
DIN : 00387814

Gaurav Goyal
CFO

Archana Goyal
Company Secretary