

# Centrum Alternative Investment Managers Limited

## Balance sheet as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	42.91	3.63
Other Financial assets	4	60.18	0.10
		<u>103.09</u>	<u>3.73</u>
<b>Non-financial Assets</b>			
Current Tax Assets (net)	5	19.99	37.65
Property, Plant and Equipment	6	1.50	2.27
Other non-financial assets	7	39.04	75.23
		<u>60.53</u>	<u>115.15</u>
<b>Total Assets</b>		<u><b>163.62</b></u>	<u><b>118.88</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Trade Payables	8		
(i) total outstanding dues of micro enterprises and small enterprises		0.27	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		62.10	0.97
Borrowings	9	977.72	885.00
Other financial liabilities	10	142.98	9.81
		<u>1,183.07</u>	<u>895.78</u>
<b>Non-Financial Liabilities</b>			
Provisions	11	12.23	7.38
Other non-financial liabilities	12	15.83	13.00
		<u>28.06</u>	<u>20.38</u>
<b>EQUITY</b>			
Equity Share capital	13	51.00	51.00
Other Equity	14	-1,098.51	-848.28
		<u>-1,047.51</u>	<u>-797.28</u>
<b>Total Liabilities and Equity</b>		<u><b>163.62</b></u>	<u><b>118.88</b></u>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm registration number: 103523W / W100048

  
Sumant Sakhardande  
Partner

Membership No.: 034828

Place : Mumbai

Date : 19th June 2021



For and on behalf of the Board of Directors  
Centrum Alternative Investment Managers Limited

  
Jaspal Bindra  
Director  
DIN : 00128320

Place : Mumbai  
Date : 19th June 2021

  
Kapil Bagla  
Director  
DIN : 00387814



**Centrum Alternative Investment Managers Limited**  
**Statement of Profit and Loss for the year ended 31 March 2021**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-21	Period ended 31-Mar-20
<b>REVENUE</b>			
Revenue from operations	15	469.60	376.51
Other income	16	12.26	-
<b>Total revenue</b>		<b>481.86</b>	<b>376.51</b>
<b>EXPENSES</b>			
Finance costs	17	113.14	56.76
Fees and commission expenses	18	191.53	747.75
Employee benefit expense	19	396.90	339.79
Depreciation and amortisation expense	20	0.91	0.66
Other expenses	21	28.47	79.83
<b>Total expenses</b>		<b>730.95</b>	<b>1,224.79</b>
<b>Loss before tax</b>		<b>-249.09</b>	<b>-848.28</b>
Tax expense			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year / period - (A)</b>		<b>-249.09</b>	<b>-848.28</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
I. Remeasurement of Defined Benefit scheme		-1.14	-
II. Income tax effect		-	-
<b>Other Comprehensive Income for the year / period (net of tax) - (B)</b>		<b>-1.14</b>	<b>-</b>
<b>Total Comprehensive Income for the year / period (A+B)</b>		<b>-250.23</b>	<b>-848.28</b>
<b>Earnings per Equity Shares</b>			
Basic		-48.84	-166.33
Diluted		-48.84	-166.33

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm registration number: 103523W / W100048

  
Sumant Sakhardande  
Partner  
Membership No.: 034828



Place : Mumbai  
Date : 19th June 2021

  
Jaspal Bindra  
Director  
DIN : 00128320

Place : Mumbai  
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Kapil Bagla  
Director  
DIN : 00387814



**Centrum Alternative Investment Managers Limited**  
**Cash Flow Statement for the year ended 31 March 2021**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-21	Year ended 31-Mar-20
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	-249.09	-848.28
Add / (Less) : Adjustments for		
Interest expenses	113.14	56.76
Depreciation/Amortisation	0.91	0.66
<b>Operating loss before working capital changes</b>	<b>-135.04</b>	<b>-790.86</b>
Adjustments for:		
Decrease/(Increase) in other financial asset	-60.08	-0.10
Decrease/(Increase) in other non financial asset	36.19	-75.23
Increase/(Decrease) in trade payable	61.40	0.97
Increase/(Decrease) in other financial liabilities	133.17	9.81
Increase/(Decrease) in other non-financial liabilities	2.83	13.00
Increase/(Decrease) in provisions	3.71	7.38
<b>Cash used in operations</b>	<b>42.18</b>	<b>-835.03</b>
Income Tax Paid (net of refund)	-17.66	37.65
<b>Net cash used in Operating Activities ( A )</b>	<b>59.84</b>	<b>-872.68</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	-0.14	-2.93
<b>Net cash used in Investing Activities ( B )</b>	<b>-0.14</b>	<b>-2.93</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issuance of Share Capital	-	51.00
Proceeds from Short-term borrowings	329.72	2,897.50
Repayment of Short-term borrowing	-237.00	-2,012.50
Interest paid	-113.14	-56.76
<b>Net cash generated from Financing Activities ( C )</b>	<b>-20.42</b>	<b>879.24</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>39.28</b>	<b>3.63</b>
As at the beginning of the year / period	3.63	-
<b>Closing cash and cash equivalents</b>	<b>42.91</b>	<b>3.63</b>
<b>As at the end of the year / period (refer note 3)</b>		
Cash in hand including foreign currencies	-	-
Balance with scheduled banks-Current accounts	42.91	3.63
<b>Closing cash and cash equivalents</b>	<b>42.91</b>	<b>3.63</b>
<b>Changes in the Liabilities arising from financing activities</b>		
<b>As at the beginning of year / period</b>	<b>885.00</b>	<b>-</b>
Additional Borrowings during the year / period	329.72	2,897.50
Repayment during the year / period	-237.00	-2,012.50
<b>As at the end of the year / period</b>	<b>977.72</b>	<b>885.00</b>

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 statement of cash flows.

As per our report of even date

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm registration number: 103523W / W100048

For and on behalf of the Board of Directors  
Centrum Alternative Investment Managers Limited

  
Sumant Sakhardande  
Partner  
Membership No.: 034828

  
Jaspal Bindra  
Director  
DIN : 00128320

  
Kapil Bagla  
Director  
DIN : 00387814

Place : Mumbai  
Date : 19th June 2021

Place : Mumbai  
Date : 19th June 2021



Centrum Alternative Investment Managers Limited  
Statement of Changes in Equity for the year ended 31 March 2021  
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
As at the beginning of period	-
Changes in equity share capital during the period	51.00
<b>Balance as at 31st March, 2020</b>	<b>51.00</b>
Changes in equity share capital during the year	-
<b>Balance as at 31st March, 2021</b>	<b>51.00</b>

B. Other Equity

Particulars	Retained Earnings	Total Amount
As at the beginning of period	-	-
Loss for the period	-848.28	-848.28
Other comprehensive income	-	-
<b>Balance as at 31st March, 2020</b>	<b>-848.28</b>	<b>-848.28</b>
Loss for the year	-249.09	-249.09
Other comprehensive income	-1.14	-1.14
<b>Balance as at 31st March, 2021</b>	<b>-1,098.51</b>	<b>-1,098.51</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm registration number: 103523W / W100048

Sumant Sakhardande  
Partner  
Membership No.: 034828

Place : Mumbai  
Date : 19th June 2021

For and on behalf of the Board of Directors  
Centrum Alternative Investment Managers Limited

Jaspal Bindra  
Director  
DIN : 00387814

Place : Mumbai  
Date : 19th June 2021

Kapil Bagla  
Director  
DIN : 00387814



# Centrum Alternative Investment Managers Limited

## Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

### 1. CORPORATE INFORMATION

Centrum Alternative Investment Managers Limited is the public limited company incorporated on January 21st, 2019 with an object to carry on business of acting as Manager, Advisor, Consultant, Trustee, Administrator of venture capital funds, investment funds, private investment funds or any other funds in India or outside India.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

#### (b) Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

#### (c) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Notes to the financial statements.

#### (d) Property, plant and equipment

Properties, Plant & Equipment's are stated at 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 working condition for its intended use.

#### Depreciation

Depreciation on property, plant and equipment is provided on straight line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013.

Assets	Estimated useful life specified under Schedule II of the Companies Act 2013
Office Equipment	5 years
Computers	3 years



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

**(e) Borrowing cost**

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 of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

**(f) Impairment of property, plant and equipment**

Consideration is given at each balance sheet 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 estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater 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 based on an appropriate discount factor.

**(g) Revenue recognition**

Revenue is measured based on the consideration specified in the contract and recognised when it is highly probable that a significant reversal of revenue is not expected to occur.

**Nature of services:**

The Company principally generates revenue by providing investment management services to Centrum Credit Opportunities Trust – a SEBI registered, category-II Alternative Investment Fund.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Services and/or set-up fee	The Company has been appointed as the investment manager to Centrum Credit Opportunities Trust. The Company charges management fee as a percentage of aggregate capital contributions and Set-up fee as a percentage of total commitment value to the fund and recognise the same on accrual basis. The management fee/set-up fee is charged basis on fund documents namely Investment Manager Agreement, Private Placement Memorandum and individual contribution agreements.

**Recognition of dividend income, interest income:**

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Company's right to receive dividend is established.

Interest income is recognised using the effective interest rate method.



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

#### (h) Employee benefits

##### 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 period 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 employee benefit expense 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.

##### Compensated absences:

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.

All actuarial gains / losses are immediately taken to the Profit and Loss account and are not deferred.

#### (i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### 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. 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021 (All amounts in INR Lakhs, unless otherwise stated)

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.

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

The 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 if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

#### Current and deferred tax for the period

Current and deferred tax are recognised in profit or 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### (j) 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

##### (i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or 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.





**Centrum Alternative Investment Managers Limited**

**Notes to the Financial Statements for the period ended and as at 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

				at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account 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 and 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 income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises.  Interest income from these financial assets is included in the finance income.
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 basis) at fair value through other comprehensive income. This	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 income statement.  Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend 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 profit and loss account.
	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 income statement.  Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method.  On de-recognition of the financial assets measured



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

		election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.		Dividend income from such instruments are however recorded in income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

#### (ii) Impairment:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021 (All amounts in INR Lakhs, unless otherwise stated)

#### (iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) the company has transferred the rights to receive cash flows from the financial asset or
- (b) 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 company 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 company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither 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.

#### B. Financial liabilities and equity instruments:

Debt and equity instruments issued by an entity are classified either financial liabilities or 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:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

#### 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 from banks
- Borrowings from others



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

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

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

#### 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.

#### C. 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### (k) Fair value measurement:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.



## Centrum Alternative Investment Managers Limited

### Notes to the Financial Statements for the period ended and as at 31 March 2021

(All amounts in INR Lakhs, unless otherwise stated)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

#### (l) 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 established, the Company recognizes any impairment loss on the assets associated with that contract.

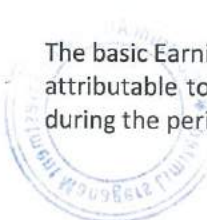
Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. 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 remote. The same applies to contingent assets where an inflow of economic benefits is probable.

#### (m) Cash and cash equivalent:

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

#### (n) Earnings per share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.



**Centrum Alternative Investment Managers Limited**  
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For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(o) 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 assumptions 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.



**Centrum Alternative Investment Managers Limited**  
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<b>3. CASH AND CASH EQUIVALENTS</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Balances with Banks - In current accounts	42.91	3.63
<b>Total</b>	<b>42.91</b>	<b>3.63</b>
<b>4. OTHER FINANCIAL ASSETS</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Security deposits	0.10	0.10
Others	60.08	-
<b>Total</b>	<b>60.18</b>	<b>0.10</b>
<b>5. CURRENT TAX ASSETS (NET)</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Advance Tax [Net off Provision for Tax - Nil]	19.99	37.65
<b>Total</b>	<b>19.99</b>	<b>37.65</b>
<b>7. OTHER NON-FINANCIAL ASSETS</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Balances with Government authorities	39.04	75.23
<b>Total</b>	<b>39.04</b>	<b>75.23</b>
<b>8. TRADE PAYABLES</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Total Outstanding dues of Micro Enterprises and Small Enterprises	0.27	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	62.10	0.97
<b>Total</b>	<b>62.37</b>	<b>0.97</b>

\* Includes amount payable to related parties Rs 11.73 lacs (PY Rs 0.79 Lacs)

Disclosure as required by Micro, Small and Medium Enterprises Development Act (MSMED), 2006 is as under:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.28	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at the year end	-	-
The amount of interest paid u/s 16 of this Act, along with the amounts of payments made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment which have been paid but, beyond the appointed day during the year	-	-
The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure	-	-
The disclosure above is based on the information available with the Company regarding the status of the suppliers under the MSME and is relied upon by the auditors		

<b>9. BORROWINGS</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
(At amortised cost, within India)		
Unsecured Loans from related parties	977.72	885.00
<b>Total</b>	<b>977.72</b>	<b>885.00</b>
<b>10. OTHER FINANCIAL LIABILITIES</b>	<b>As at 31-Mar-21</b>	<b>As at 31-Mar-20</b>
Employee Benefits	137.31	1.88
Other Dues	5.67	7.93
<b>Total</b>	<b>142.98</b>	<b>9.81</b>





**Centrum Alternative Investment Managers Limited**  
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**6. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Computers - Hardware	Office equipments	Total
<b>Gross Block</b>			
As at 1st April, 2019	-	-	-
Additions	2.80	0.12	2.92
Disposals	-	-	-
<b>As at 31st March, 2020</b>	<b>2.80</b>	<b>0.12</b>	<b>2.92</b>
Additions	0.14	-	0.14
Disposals	-	-	-
<b>As at 31st March, 2021</b>	<b>2.94</b>	<b>0.12</b>	<b>3.06</b>
<b>Accumulated Depreciation</b>			
As at 1st April, 2019	-	-	-
Additions	0.64	0.01	0.65
Disposals	-	-	-
<b>As at 31st March, 2020</b>	<b>0.64</b>	<b>0.01</b>	<b>0.65</b>
Additions	0.89	0.02	0.91
Disposals	-	-	-
<b>As at 31st March, 2021</b>	<b>1.53</b>	<b>0.03</b>	<b>1.56</b>
<b>Net Block</b>			
<b>As at 31st March, 2021</b>	<b>1.41</b>	<b>0.09</b>	<b>1.50</b>
As at 31st March, 2020	2.16	0.11	2.27



**Centrum Alternative Investment Managers Limited**  
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<b>11. PROVISIONS</b>			<b>As at</b>	<b>As at</b>
			<b>31-Mar-21</b>	<b>31-Mar-20</b>
Provision for employee benefits				
Provisions for gratuity			8.19	4.23
Provisions for compensated absences			4.04	3.15
<b>Total</b>			<b>12.23</b>	<b>7.38</b>
<b>12. OTHER NON-FINANCIAL LIABILITIES</b>			<b>As at</b>	<b>As at</b>
			<b>31-Mar-21</b>	<b>31-Mar-20</b>
Statutory dues			15.83	13.00
<b>Total</b>			<b>15.83</b>	<b>13.00</b>
<b>13. EQUITY SHARE CAPITAL</b>			<b>As at</b>	<b>As at</b>
			<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Authorized</b>				
10,00,000 equity shares of Rs. 10 each			100.00	100.00
<b>Total</b>			<b>100.00</b>	<b>100.00</b>
<b>Issued, subscribed and fully paid up</b>				
5,10,000 equity shares of Rs. 10 each			51.00	51.00
<b>Total</b>			<b>51.00</b>	<b>51.00</b>
<b>13.a Reconciliation of shares outstanding at the beginning and at the end of the year / period</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31-Mar-21</b>	<b>31-Mar-20</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>No of shares</b>	<b>No of shares</b>	<b>Amount</b>	<b>Amount</b>
<b>For equity shares:</b>				
Number of shares Outstanding at beginning of the period	5,10,000	-	51.00	-
Shares issued during the year / period	-	5,10,000	-	51.00
<b>Balance at the end of the year / period</b>	<b>5,10,000</b>	<b>5,10,000</b>	<b>51.00</b>	<b>51.00</b>
<b>13.b Rights, preferences and restrictions attached to shares</b>				
The company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>13.c Particulars of shareholders holding more than 5% of aggregate shares</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31-Mar-21</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>	<b>31-Mar-20</b>
	<b>No of shares</b>	<b>%</b>	<b>No of shares</b>	<b>%</b>
<b>Equity shares</b>				
Centrum Capital Limited with its nominees - Holding company	5,10,000	100	5,10,000	100
<b>Total</b>	<b>5,10,000</b>	<b>100</b>	<b>5,10,000</b>	<b>100</b>
<b>13.d Details of Share issued for consideration other than in cash : Nil</b>				
<b>14. OTHER EQUITY</b>			<b>As at</b>	<b>As at</b>
			<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Deficit in Statement of Profit and Loss</b>				
Balance as at the beginning of the year / period			-848.28	-
Add: Loss for the year / period			-250.23	-848.28
<b>Total</b>			<b>-1,098.51</b>	<b>-848.28</b>



**Centrum Alternative Investment Managers Limited**  
**Notes to the Financial Statements for the year ended and as at 31 March 2021**  
 (All amounts in INR Lakhs, unless otherwise stated)

	Year ended 31-Mar-21	Period ended 31-Mar-20
<b>15. REVENUE FROM OPERATIONS</b>		
Management Fees	167.48	51.76
Set Up Fees	17.25	174.75
Arranger fee	284.87	-
Professional consultancy income	-	150.00
<b>Total</b>	<b>469.60</b>	<b>376.51</b>
<b>16. OTHER INCOME</b>		
Recovery of Expenses	10.00	-
Miscellaneous income	2.26	-
<b>Total</b>	<b>12.26</b>	<b>-</b>
<b>17. FINANCE COSTS</b>		
Interest on borrowings	113.14	56.76
<b>Total</b>	<b>113.14</b>	<b>56.76</b>
<b>18. FEES AND COMMISSION EXPENSES</b>		
Distribution fee	176.78	594.00
Set up fee	14.75	153.75
<b>Total</b>	<b>191.53</b>	<b>747.75</b>
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, allowances and bonus	383.83	326.91
Contribution to provident and other funds	12.47	12.11
Staff welfare expenses	0.60	0.77
<b>Total</b>	<b>396.90</b>	<b>339.79</b>
<b>20. DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on property, plant and equipment	0.91	0.66
<b>Total</b>	<b>0.91</b>	<b>0.66</b>
<b>21. OTHER EXPENSES</b>		
Rent	18.12	9.64
Electricity	1.01	0.70
Advisory Service Fees	0.15	4.02
Business promotion expenses	1.11	2.26
Travelling and conveyance	0.79	9.81
Legal & professional fees	2.59	23.27
Recruitment fees	-	11.38
Audit fees	1.52	1.50
Stamp duty, registration and filing fees	0.01	13.14
Office expenses	2.29	3.24
Miscellaneous expenses	0.88	0.87
<b>Total</b>	<b>28.47</b>	<b>79.83</b>
<b>Note: Auditors' remuneration</b>		
Audit Fees - Statutory Audit	1.50	1.50
Out of Pocket Expenses	0.02	-
<b>Total</b>	<b>1.52</b>	<b>1.50</b>



**Centrum Alternative Investment Managers Limited**  
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**22. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2021.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises share capital and reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 31-Mar-21	As at 31-Mar-20
<b>Borrowings</b>		
Long term and Short term borrowings	977.72	885.00
Less: cash and cash equivalents	42.91	3.63
<b>Adjusted net debt</b>	<b>934.81</b>	<b>881.37</b>
Total Equity	(1,047.51)	(797.28)
<b>Adjusted net debt to adjusted equity ratio</b>	<b>-89%</b>	<b>-111%</b>

**23. EMPLOYEE BENEFITS**

**A. Defined Contribution Plans**

The company also contributes on a defined contribution basis to employees' provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the period towards defined contribution plan

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
Employer's Contribution to Provident Fund	11.93	11.59
Provident Fund Administration charges	0.54	0.52

**B. Defined Benefit Plans**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation/superannuation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service subject to payment ceiling of INR 20 Lakhs. The gratuity plan is a Unfunded plan.

**(i) Expenses recognised in statement of profit and loss during the period**

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
Current Service Cost	2.54	4.23
Interest cost on benefit obligation	0.28	-
<b>Total Expenses</b>	<b>2.82</b>	<b>4.23</b>

**(ii) Expenses recognised in OCI**

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
Actuarial (Gains)/Losses on Obligation For the Period	1.14	-
<b>Total Expenses</b>	<b>1.14</b>	<b>-</b>

**(iii) Net Asset /(Liability) recognised as at balance sheet date**

Particulars	As at 31-Mar-21	As at 31-Mar-20
Present value of defined benefit obligation at the end of the Period	(8.19)	(4.23)
Funded status [Surplus/(Deficit)]	(8.19)	(4.23)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(8.19)</b>	<b>(4.23)</b>

**(iv) Movements in present value of defined benefit obligation**

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
Present value of defined benefit obligation at the beginning of the period	4.23	-
Current Service Cost	2.54	4.23
Interest Cost	0.28	-
Actuarial (Gains)/Losses on Obligation For the Period	1.14	-
<b>Present value of defined benefit obligation at the end of the period</b>	<b>8.19</b>	<b>4.23</b>



Centrum Alternative Investment Managers Limited  
Notes to the Financial Statements for the year ended and as at 31 March 2021  
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(v) Movements in fair value of the plan assets

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
Opening fair value of plan assets	-	-
Expected returns on Plan Assets	-	-
Actuarial (Gain)/Loss on Plan assets	-	-
Contribution from Employer	-	-
Benefits paid	-	-
Closing fair value of the plan asset	-	-

(vi) Maturity Analysis of defined benefit obligation

The weighted average duration of the defined benefit obligation is 11 years. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at 31-Mar-21	As at 31-Mar-20
1st following year	0.03	0.02
2nd following year	0.03	0.02
3rd following year	0.77	0.02
4th following year	1.01	0.46
5th following year	0.97	0.56
Sum of years 6-10	4.11	2.36
Sum of years 11 and above	8.44	4.89

(vii) Quantitative sensitivity analysis for significant assumptions

Particulars	As at 31-Mar-21	As at 31-Mar-20
Increase/(decrease) on present value of defined benefit obligation at the end of the period		
(i) +100 basis points increase in discount rate	(0.64)	(0.36)
(i) -100 basis points decrease in discount rate	0.72	0.41
(iii) +100 basis points increase in rate of salary increase	0.66	0.41
(iv) -100 basis points decrease in rate of salary increase	(0.58)	(0.29)
(v) -100 basis points decrease in rate of Employee Turnover	(0.15)	(0.12)
(v) -100 basis points decrease in rate of Employee Turnover	0.15	0.12

Sensitivity analysis method

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(viii) Actuarial Assumptions

Particulars	As at 31-Mar-21	As at 31-Mar-20
Discount rate	6.57%	6.56%
Salary Growth rate		
- for Next 1 years	0.00%	0.00%
- for Next 2 years	6.26%	0.00%
- from 3rd year onwards	5.00%	6.26%
- from 4th year onwards	-	5.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality	IALM (2006-08)	IALM (2006-08)

(ix) Risks associated with Defined Benefit Plan

- Interest Rate risk:** A fall in the discount rate which is linked to the G.Sec rate will increase the present value of the liability requiring higher provision.
- Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of members more than assumed level will increase the plan's liability.
- Asset Liability Matching Market Risk:** The plan faces the ALM risk as to the matching cash flows. Company has to manage pay-out based on pay as you go basis from own funds.
- Mortality Risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the period ending 31 March 2021 are Rs Nil.



**Centrum Alternative Investment Managers Limited**  
**Notes to the Financial Statements for the year ended and as at 31 March 2021**  
 (All amounts in INR Lakhs, unless otherwise stated)

**24. RELATED PARTY TRANSACTIONS**

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), the related parties of the Company with whom there have been transactions during the period, are as follows:

(i) List of Related Parties

Relationship

1. Holding Company
2. Fellow Subsidiaries

Name of the Parties

- Centrum Capital Limited
- Centrum Capital Advisors Limited
- Centrum Retail Services Limited
- Centrum Wealth Management Limited
- Club7 Holidays Limited

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31-Mar-21	Period ended 31-Mar-20	As at 31-Mar-21	As at 31-Mar-20
Centrum Capital Limited	Capital Infusion	-	51.00	-	-
	Other advances	-	-	-	-
	ICD (Loan taken)	206.55	1,070.00	-915.00	-885.00
	ICD (Loan repaid)	170.00	185.00	-	-
	Interest expenses on loan	105.44	7.71	-6.55	-
	Reimb. of Insurance Expenses	-	0.21	-	-
	Business Promotion	1.13	-	-1.32	-
Centrum Capital Advisors Limited	ICD (Loan taken)	123.17	936.50	-56.17	-
	ICD (Loan repaid)	67.00	936.50	-	-
	Interest expenses on loan	7.70	26.99	-	-
	Professional consultancy income	-	150.00	-	-
Centrum Retail Services Limited	ICD (Loan taken)	-	891.00	-	-
	ICD (Loan repaid)	-	891.00	-	-
	Interest expenses on loan	-	22.06	-	-
	Common cost sharing expenses	19.41	10.54	-0.10	-0.08
Centrum Wealth Management Limited	Distribution fee	68.13	594.00	-10.32	-
	Set up fee	-	153.75	-	-
Club7 Holidays Limited	Travelling Expenses	-	4.55	-	-0.71

**25. FAIR VALUE MEASUREMENTS**

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20	As at 31-Mar-20
	Carrying value	Fair Value	Carrying value	Fair Value
<b>Financial Assets (measured at amortized cost)</b>				
Cash and cash equivalents	42.91	42.91	3.63	3.63
Other financial assets	60.18	60.18	0.10	0.10
<b>Total</b>	<b>103.09</b>	<b>103.09</b>	<b>3.73</b>	<b>3.73</b>
<b>Financial Liabilities (measured at amortized cost)</b>				
Borrowings	977.72	977.72	885.00	885.00
Trade payables	62.10	62.10	0.97	0.97
Other financial liabilities	142.98	142.98	9.81	9.81
<b>Total</b>	<b>1,182.80</b>	<b>1,182.80</b>	<b>895.78</b>	<b>895.78</b>

Measurement of fair value

Management assessed that fair value of above financial asset and financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.



**Centrum Alternative Investment Managers Limited**  
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 (All amounts in INR Lakhs, unless otherwise stated)

**26. FINANCIAL RISK MANAGEMENT**

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 credit risk and liquidity risk. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

**A. Credit Risk**

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.

**(i) Cash and bank balances**

The Company held cash and bank balance of INR 42.91 Lakhs at March 31, 2021. The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.

**(ii) Other financial assets**

The Company had trade and other receivables of INR 0.18 Lakhs at March 31, 2021 which is being short term in nature hence no provision is required to be made.

**B. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**Maturities of financial liabilities**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Particulars	1 year or less	1-2 years	Total
<b>As at 31 March 2021</b>	977.72	-	977.72
Short Term Borrowings	62.10	-	62.10
Trade Payables	142.98	-	142.98
Other financial liabilities	1,182.80	-	1,182.80
<b>Total</b>			
<b>As at 31 March 2020</b>	885.00	-	885.00
Short Term Borrowings	0.97	-	0.97
Trade Payables	9.81	-	9.81
Other financial liabilities	895.78	-	895.78
<b>Total</b>			

**C. Cash Flow and Fair Value Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company main interest rate risk arises from long-term borrowings with variable rates.

The Company has fixed rate borrowing. Fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**D. Foreign Currency Risk**

The Company caters mainly to the Indian Market. Most of the transactions are denominated in the company's functional currency i.e. Rupees. Hence the Company is not exposed to Foreign Currency Risk.

**27. EARNING PER SHARE**

Particulars	Year ended 31-Mar-21	Period ended 31-Mar-20
i) Loss after Taxes attributable to equity shareholders	(249.09)	(848.28)
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the period (nos)	5,10,000	5,10,000
iii) Weighted average number of shares outstanding at the end of the period (nos)	(48.84)	(166.33)
iv) Basic earnings per share	(48.84)	(166.33)
v) Diluted earning per share		

**28. CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31-Mar-21	As at 31-Mar-20
Contingent liabilities and commitments	Nil	Nil



Centrum Alternative Investment Managers Limited  
Notes to the Financial Statements for the year ended and as at 31 March 2021  
(All amounts in INR Lakhs, unless otherwise stated)

29. CAPITAL AND OTHER COMMITMENT

Capital expenditure contracted for the reporting period net of capital advance amounting Rs. Nil.

30. SEGMENT REPORTING

Centrum Alternative Investment Managers Limited is predominantly engaged in business of acting as Manager, Advisor, Consultant, Trustee, Administrator of venture capital funds, investment funds, private investment funds or any other funds in India or outside India which is the only reportable segment, hence, there are no additional disclosures required under IND AS 108. The Company's operations are primarily in India, accordingly there is no reportable secondary geographical segment.

31. Deferred Tax Assets was not recognised considering that it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised as stated in the Ind AS 12 - Income Taxes.

32. During the year, Company has incurred net loss of Rs. 249.09 lakhs and further company has accumulated losses of Rs. 1098.51 lakhs as at March 31, 2021 (previous year Rs. 848.28 lakhs) and at the end of the financial year, the net worth of the Company has fully eroded. These conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements are prepared on going concern basis as based on the projected operations and the Company's marketing efforts, the Company expects to generate adequate surplus in the future and consequently does not foresee any difficulty in settling its liabilities as and when they arise. Further, the shareholders continue to support the Company in its operations and financial management.

33. The Company was incorporated on 21-January-2019. Figures for the previous year of the Company consist a period from 21.01.2019 to 31.03.2020. The figures for the Current year is not comparable with the previous period figures.

As per our report of even date

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm registration number: 103523W / W100048



*Sumant Sakhardande*  
Sumant Sakhardande  
Partner  
Membership No.: 034828

Place : Mumbai  
Date : 19th June 2021

For and on behalf of the Board of Directors  
Centrum Alternative Investment Managers Limited

*Jaspal Bindra*  
Jaspal Bindra  
Director  
DIN : 00387814

*Kapil Bagla*  
Kapil Bagla  
Director  
DIN : 00387814

Place : Mumbai  
Date : 19th June 2021





**Centrum Capital Advisors Limited**  
**Balance sheet as at 31 March 2021**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-21	As at 31-Mar-20
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	15.13	9.51
Loans	4	56.17	-
Investments	5	-	170.00
Other Financial assets	6	140.96	2.20
		<u>212.26</u>	<u>181.71</u>
<b>Non-financial Assets</b>			
Current Tax Assets (net)	7	81.59	79.12
Deferred tax assets	8	2.66	-
Property, plant & equipment	9	0.28	0.27
Other non-financial assets	10	39.81	53.47
		<u>124.34</u>	<u>132.86</u>
<b>Total Assets</b>		<u><b>336.60</b></u>	<u><b>314.57</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Trade payables	11	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		49.66	133.57
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		135.00	55.00
Borrowings	12	14.20	5.71
Other financial liabilities	13	198.86	194.28
		<u>198.86</u>	<u>194.28</u>
<b>Non-Financial Liabilities</b>			
Provisions	14	6.59	6.47
Other non-financial liabilities	15	15.43	30.64
		<u>22.02</u>	<u>37.11</u>
<b>Equity</b>			
Equity Share capital	16	100.00	100.00
Other equity	17	15.72	-16.82
		<u>115.72</u>	<u>83.18</u>
<b>Total Liabilities and Equity</b>		<u><b>336.60</b></u>	<u><b>314.57</b></u>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm registration number: 103523W / W100048

  
Sumant Sakhardande  
Partner  
Membership No.: 034828



For and on behalf of the Board of Directors  
Centrum Capital Advisors Limited

  
Mayank Jalan  
Director  
DIN: 07478229

  
Giri Krishnaswamy  
Director  
DIN: 05238555

Place : Mumbai  
Date : 19th June 2021

Place : Mumbai  
Date : 19th June 2021



## INDEPENDENT AUDITOR'S REPORT

To the Members of Centrum Alternative Investment Managers Limited

Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **Centrum Alternative Investment Managers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other 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 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, 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 Ind AS financial statements.

### Material Uncertainty Related to Going Concern

We draw attention to Note 32 in the Ind AS financial statements, regarding preparation of the Company's Ind AS financial statements on a going concern assumption. The Company has incurred a net loss of Rs. 249.09 Lakhs during the year ended March 31, 2021 and as of that date, the Company's accumulated losses amount to Rs. 1098.51 Lakhs resulting in negative net worth of the Company. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The Ind AS financial statements are prepared on going concern basis, as based on the projected operations and the Company's marketing efforts it expects to generate adequate surplus in the future and consequently does not foresee any difficulty in settling its liabilities as and when they arise. Further, the shareholders continue to support the Company in its operations and financial management.

Our opinion is not modified in respect of this matter.



## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (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 detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



## Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
- 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;
  - 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;
  - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - The matter described under the Material Uncertainty Related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company;
  - On the basis of the written representations received from the directors as on March 31, 2021, and 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;
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
  - With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

According to the information and explanation given by the management, No managerial remuneration has been paid or provided by the Company to its directors for the year ended March 31, 2021;

- 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, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company does not have any pending litigations which would impact its financial position;
  - The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;



# HARIBHAKTI & CO. LLP

Chartered Accountants

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

For Haribhakti & Co. LLP  
Chartered Accountants

ICAI Firm Registration No. 103523W-7-W100048



Sumant Sakhardande

Partner

Membership No. 034828

UDIN: 21034828AAAADV3210

Place: Mumbai

Date: 19-06-2021

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **Centrum Alternative Investment Managers Limited** (the "Company") on the Ind AS financial statements for the year ended March 31, 2021]

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

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The Company does not hold any immovable property. Accordingly, clause 3 (i) (c) of the Order is not applicable.
- (ii) The Company is in the business of providing services and hence, do not hold any inventory. Accordingly, the clause 3 (ii) of the Order is not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loan or made any investment or provided any guarantee or security, covered under the provisions of sections 185 and 186 of the Act. Accordingly clause 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii)
  - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(D) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute.



# HARIBHAKTI & CO. LLP

Chartered Accountants

- (viii) During the year, the Company has not taken any loans or borrowings from any financial institution, bank or government nor has it issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) In our opinion, the Company has neither paid nor provided for any managerial remuneration as per the provisions of section 197 read with Schedule V of the Act and accordingly, reporting under clause (xi) of the Order is not applicable to the Company and hence not commented.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with section 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
Sumant Sakhardande  
Partner  
Membership No. 034828  
UDIN: 21034828AAAADV3210  
Place: Mumbai  
Date: 19-06-2021





## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Centrum Alternative Investment Managers Limited** on the Ind AS financial statements for the year ended March 31, 2021]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Centrum Alternative Investment Managers Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



## Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
Sumant Sakhardande  
Partner

Membership No. 034828  
UDIN: 21034828AAAADV3210  
Place: Mumbai  
Date: 19-06-2021



## INDEPENDENT AUDITOR'S REPORT

To the Members of Acorn Fund Consultant Private Limited

Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of Acorn Fund Consultant Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its loss (including other 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 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, 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 Ind AS financial statements.

### Material Uncertainty Related to Going Concern

We draw attention to Note 33 in the Ind AS financial statements, regarding preparation of the Company's Ind AS financial statements on a going concern assumption. The Company has incurred a net loss before tax of Rs. 81.09 Lakhs during the year ended March 31, 2021 and as of that date, the Company's accumulated losses amount to Rs. 823.98 Lakhs resulting in negative net worth of the Company. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The Ind AS financial statements are prepared on going concern basis, as based on the projected operations and the Company's marketing efforts it expects to generate adequate surplus in the future and consequently does not foresee any difficulty in settling its liabilities as and when they arise. Further, the shareholders continue to support the Company in its operations and financial management.

Our opinion is not modified in respect of this matter.



## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (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 detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS financial statements. As part of an



audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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) This report does not contain a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



# HARIBHAKTI & CO. LLP

Chartered Accountants

- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. The matter described under the Material Uncertainty Related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on March 31, 2021, and 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;
- g. We do not report on the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls in terms of section 143(3)(i) of the Act, since in our opinion and according to the information and explanations given to us, the said reporting is not applicable to the Company;
- h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

(i) The Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

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

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

  
Sumant Sakhardande  
Partner  
Membership No.: 034828



UDIN: 21034828AAAADX8656

Place: Mumbai

Date: June 19, 2021