



Geared for
GROWTH

SR. NO.	NAME OF SUBSIDIARY
1.	CENTRUM BROKING LIMITED
2.	CENTRUM CAPITAL ADVISORS LIMITED
3.	CENTRUM FINANCIAL SERVICES LIMITED
4.	CENTRUM FINVERSE LIMITED
5.	CENTRUM HOUSING FINANCE LIMITED
6.	CENTRUM INSURANCE BROKERS LIMITED
7.	CENTRUM INVESTMENT ADVISORS LIMITED
8.	CENTRUM RETAIL SERVICES LIMITED
9.	CENTRUM WEALTH LIMITED
10.	IGNIS CAPITAL ADVISORS LIMITED
11.	MODULUS ALTERNATIVES INVESTMENT MANAGERS LIMITED
12.	UNITY SMALL FINANCE BANK LIMITED
13.	CENTRUM ALTERNATIVES LLP

BHOGILAL C. SHAH & CO.

CHARTERED ACCOUNTANTS

2A, Shree Pant Bhuvan, 1st floor, Sandhurst Bridge, Mumbai 400 007.

Phone : 2361 0939

PARTNERS :

SNEHAL V. SHAH

B. Com., F.C.A., M.M. (U.S.A.)

SURIL V. SHAH

B. Com., A.C.A., M.B.A. (U.S.A.)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Centrum Broking Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Centrum Broking Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, 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 ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Responsibility of Management for the standalone 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 standalone 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 Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on legal and other regulatory requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) in our opinion the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of the written representations received from the directors, as on 31st March 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director, in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure B;
- (g) 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact on pending litigations on its financial position in its standalone financial statements;
- (ii) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) No amounts were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) (a) The management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) above, contain any material mis-statement.

- (v) The Company has not declared any dividend during the year;
- (vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31st March , 2024.

For Bhogilal C. Shah & Co.
Chartered Accountants
Firm's registration No. 101424W

Suril Shah
Partner
Membership No. 42710
UDIN : 24042710BKGWMP2012
Mumbai, 24th April, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the period ended 31st March 2024, we report that :

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Property, Plant & Equipment have been physically verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable, considering the size and nature of its business. As explained to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties. Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (d) As explained to us, the Company has not revalued its Property, Plant & Equipment or intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- (e) As explained to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) (a) The Company is not holding any inventories during the year. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has granted loans to Companies, firms, limited liability partnerships or any other parties covered in the register maintained u/s 189 of the Act.
 - (a) The Company has provided loans to other entities.
 - (A) With respect to loans to subsidiaries, joint ventures and associates, the aggregate amount during the year was Rs. 1,000 lakhs and the balance outstanding at the balance sheet date was Rs. NIL.
 - (B) The Company has not granted any loans to entities other than subsidiaries, joint ventures and associates.
 - (b) In our opinion, the terms and conditions of the grant of all loans are not prima facie prejudicial to the interest of the Company.
 - (c) According to the information and explanations given to us, the schedule of repayment of principal and payment of interest is not stipulated.
 - (d) As the schedule of repayment of principal and payment of interest are not stipulated, the question of any amount of principal or interest overdue does not arise.

- (e) As the schedule of repayment of principal and payment of interest are not stipulated, the question of any loan falling due during the year does not arise.
- (f) The Company has granted loans repayable on demand and without specifying any terms or period of repayment to related parties as defined in clause (76) of section 2 of the Companies Act, 2013. The aggregate amount of loans during the year was Rs. 1,000 lakhs which was 100% of the total loans granted.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public. Therefore the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) As explained to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1). Therefore the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)
 - (a) According to the information and explanation given to us, the Company has been regular in depositing undisputed statutory dues including Goods & Services Tax, Provident Fund, Employees State Insurance, Income Tax, Cess and any other statutory dues with the appropriate authorities during the year except for Profession Tax, Stamp Duty and Provident Fund which have not been paid due to absence of proper mechanism for making payment in the respective states. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods & Services Tax, Provident Fund, Employees State Insurance, Income Tax, Cess and other material statutory dues were in arrears, as at 31st March 2024 for a period of more than six months from the date they became payable except for Profession Tax amounting to Rs. 95,398, which has not been paid due to absence of proper mechanism for making payment.
 - (b) According to the information and explanations given to us, as on 31st March 2024 there are no amounts which have not been deposited with statutory authorities on account of any dispute.
- (viii) As explained to us, there are no transactions which were not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)
 - (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - (b) As explained to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
 - (c) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purpose.
- (e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offering or further public offer (including debt instruments) during the year. Therefore the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions section 62 of the Companies Act, 2013 in respect of preferential allotment of shares during the year. According to the information and explanations given to us, we report that the amounts raised have been used for the purposes for which the funds were raised. Further, according to the information and explanations give to us, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Companies Act, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there were no whistle-blower complaints received during the year by the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- (d) To the best of our knowledge and belief and according to the information and explanations given to us, there is no CIC as part of the Group. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company.
- (xvii) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and the Company has incurred cash losses of Rs. 407.12 lakhs in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) To the best of our knowledge and belief and according to the information and explanations given to us, the provisions of Section 135 of the Companies Act 2013 are not applicable to the Company. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.

For Bhogilal C. Shah & Co.
Chartered Accountants
Firm's registration No. 101424W

Suril Shah
Partner
Membership No. 42710
UDIN : 24042710BKGWMP2012
Mumbai, 24th April, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Centrum Broking Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditor's responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bhogilal C. Shah & Co.
Chartered Accountants
Firm's registration No. 101424W

Suril Shah
Partner
Membership No. 42710
UDIN : 24042710BKGWMP2012
Mumbai, 24th April, 2024

Centrum Broking Limited

Balance sheet

Particulars	Sch	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial assets			
Cash and cash equivalents	3	1,554.17	624.69
Bank balance other than cash and cash equivalents above	4	5,507.44	8,898.76
Trade receivables	5	1,763.75	1,848.76
Other financial assets	6	6,517.25	2,245.12
Non-financial assets			
Current tax assets (net)	7	102.23	126.74
Deferred tax Assets (Net)	8	1,115.07	1,109.68
Property, plant and equipment	9	81.14	103.41
Right of use assets	10	13.84	-
Intangible assets	11	46.62	42.87
Intangible assets under development	12	115.99	52.96
Other non-financial assets	13	111.05	80.16
Total assets		16,928.55	15,133.15
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		7,450.55	6,120.46
Borrowings (other than debt securities)	15	4,617.41	4,254.58
Subordinated liabilities	16	-	250.00
Other financial liabilities	17	877.63	869.04
Non-financial Liabilities			
Provisions	18	197.69	175.63
Other non-financial liabilities	19	248.96	246.42
Total liabilities		13,392.24	11,916.13
EQUITY			
Equity share capital	20	2,323.14	1,929.07
Other equity	21	1,213.17	1,287.95
Total equity		3,536.31	3,217.02
Total liabilities and equity		16,928.55	15,133.15

Significant accounting policies and notes to the financial statements

1 - 40

As per our report of even date attached

For M/s. Bhogilal C. Shah & Co
Chartered Accountants
 Firm's Registration No: 101424W

Suril Shah
 Partner
 Membership No: 42710
Mumbai
24th April 2024

For and on behalf of the Board of Directors of
Centrum Broking Ltd

K Sandeep Nayak
 Director
 DIN: 03281505

Nischal Maheshwari
 Director
 DIN: 00279658

Rohit Jain
 CFO
 Mumbai
24th April 2024

Sunita Gohil
 Company Secretary

Centrum Broking Limited
Statement of profit and loss

Particulars	Sch	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations			
Fees and commission income	22	6,993.94	6,527.31
Total revenue from operations		6,993.94	6,527.31
Other income	23	661.65	488.34
Total income		7,655.59	7,015.65
Expenses			
Finance costs	24	790.51	350.98
Impairment on financial instruments	25	(4.08)	(85.32)
Employee benefits expenses	26	3,142.40	3,508.45
Depreciation, amortisation and impairment	9,10,11	63.57	37.14
Other expenses	27	3,638.90	3,563.34
Total expenses		7,631.30	7,374.59
Profit/(loss) before tax		24.29	(358.94)
Income tax expense:	28		
- Current tax			
- Deferred tax		(8.92)	32.27
- Earlier year adjustment			
Total tax expense		(8.92)	32.27
Profit/(loss) for the year		33.21	(391.21)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		12.21	(5.40)
- Income tax relating to these items		(3.56)	1.57
Other comprehensive income / (loss) for the year		8.65	(3.83)
Total comprehensive income / (loss) for the year		41.86	(395.04)
Earnings per equity share	29		
- Basic (Rs.)		0.16	(2.03)
- Diluted (Rs.)		0.16	(2.03)

Significant accounting policies and notes to the financial statements

As per our report of even date attached

For M/s. Bhogilal C. Shah & Co
Chartered Accountants
Firm's Registration No: 101424W

Suril Shah
Partner
Membership No: 42710
Mumbai
24th April 2024

For and on behalf of the Board of Directors of
Centrum Broking Ltd

K Sandeep Nayak
Director
DIN: 03281505

Nischal Maheshwari
Director
DIN: 00279658

Rohit Jain
CFO
Mumbai
24th April 2024

Sunita Gohil
Company Secretary

Centrum Broking Limited**Cash flow statement**

(Currency: Indian Rupees in lacs)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Profit / (loss) before tax as per statement of profit & loss	24.29	(358.94)
Adjustments:		
Non cash and non operating adjustments		
Depreciation and amortisation expenses - IGAAP	63.57	37.14
Allowance on financial assets	(4.08)	(85.32)
Employee Stock Options	29.18	102.30
Remeasurement of post employment benefit obligations	12.21	(5.40)
Interest expense - IGAAP	772.12	323.79
Interest expense - subordinated debt	18.39	27.19
Gains due to changes in the carrying amount of a financial instrument	(49.96)	-
Interest income	(588.87)	(488.28)
Operating cash flows before working capital changes	276.85	(447.52)
Movement in working capital		
Increase/(decrease) in other non-financial liabilities	2.54	4.24
Increase/(decrease) in provisions	22.06	(18.62)
Increase/(decrease) in other financial liabilities	151.75	98.90
Increase/(decrease) in trade payables	1,330.09	(1,645.71)
(Increase)/decrease in trade receivables	89.25	(236.41)
(Increase)/decrease in other financial assets	(4,066.06)	(1,233.24)
(Increase)/decrease in other non-financial assets	(30.89)	20.83
Cash generated from operations	(2,224.41)	(3,457.53)
Direct taxes (paid) / refund received	24.51	35.44
Net cash flow generated from operating activities	(A) (2,199.90)	(3,422.09)
B. Cash flow from investing activities		
(Purchase) / sale of property, plant and equipments (including intangible asset under development and right to use)	(104.43)	(63.50)
(Increase)/decrease in Fixed deposits	3,185.00	(1,565.00)
Interest received	588.87	488.28
Net cash flow used in investing activities	(B) 3,669.44	(1,140.22)
C. Cash flow from financing activities		
Proceeds / (repayment) from long-term / short-term borrowings	362.83	4,225.81
Proceeds / (repayment) from equity contribution	379.79	-
Proceeds / (repayment) from subordinated liabilities	(374.58)	-
Proceeds / (repayment) of Deemed Contribution	(131.48)	-
Interest paid	(772.12)	(323.79)
Payment of lease liability	(4.50)	-
Net cash flow generated / (used) from financing activities	(C) (540.06)	3,902.02
Net increase / (decrease) in cash and cash equivalents (A+B+C)	929.48	(660.29)
Add: Cash and cash equivalents at beginning of the year	624.69	1,284.98
Cash and cash equivalents at end of the year	1,554.17	624.69

As per our report of even date attached

For M/s. Bhogilal C. Shah & Co
Chartered Accountants
Firm's Registration No: 101424W

Suril Shah
Partner
 Membership No: 42710
 Mumbai

For and on behalf of the Board of Directors of
Centrum Broking Ltd

K Sandeep Nayak
Director
DIN: 03281505

Nischal Maheshwari
Director
DIN: 00279658

Rohit Jain
CFO
Mumbai
24th April 2024

Sunita Gohil
Company Secretary

Centrum Broking Limited
Statement of changes in equity

(Currency: Indian Rupees in lacs)

A. Equity share capital

Particulars	Number	Amount
As at April 1, 2022	1,92,90,669	1,929.07
Changes in equity share capital during the year	-	-
As at March 31, 2023	1,92,90,669	1,929.07
Changes in equity share capital during the year	39,40,748	394.07
As at March 31, 2024	2,32,31,417	2,323.14

B. Other equity

Particulars	Retained Earnings	General reserve	Capital Redemption reserve	Securities premium	Deemed capital contribution - ESOP	Total other equity
As at April 1, 2022	(4,827.88)	-	14.33	6,303.90	90.34	1,580.69
Profit / (loss) for the year	(391.21)	-	-	-	-	(391.21)
Other comprehensive income	(3.83)	-	-	-	-	(3.83)
Total comprehensive income for the year	(395.04)	-	-	-	-	(395.04)
Addition during the year	-	-	-	-	102.30	102.30
Less: Deletion during the year	-	-	-	-	-	-
As at March 31, 2023	(5,222.92)	-	14.33	6,303.90	192.64	1,287.95
Profit / (loss) for the year	33.21	-	-	-	-	33.21
Other comprehensive income	8.65	-	-	-	-	8.65
Total comprehensive income for the year	41.86	-	-	-	-	41.86
Addition during the year	-	214.91	-	-	29.18	244.09
Less: Deletion during the year	-	-	(14.33)	(124.58)	(221.82)	(360.73)
As at March 31, 2024	(5,181.06)	214.91	-	6,179.32	-	1,213.17

Notes:

a) Capital reserve

This reserve represents excess of premium payable on redemption of financial liability towards buy back of equity shares issued by the company

b) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of Companies Act 2013

c) Deemed capital contribution - ESOP

Certain employees of the Company have been granted options to acquire equity shares of the Holding Company (Centrum Capital Limited). This reserve represents the cost of these options based on their fair value at the grant dates as recognised over vesting period of such options, to the extent that the Holding Company has not recovered such cost from the Company

For M/s. Bhogilal C. Shah & Co
Chartered Accountants
Firm's Registration No: 101424W

Suril Shah
Partner
Membership No: 42710
Mumbai
24th April 2024

For and on behalf of the Board of Directors of
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K Sandeep Nayak
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CFO
Mumbai
24th April 2024

Sunita Gohil
Company Secretary

Centrum Broking Limited

Notes to financial statements

For the year ended March 31, 2024

1. Background and Significant Accounting Policies

Centrum Broking Limited (“the Company”) was incorporated on 2nd May 1994 . The Company is registered as a trading member with leading Stock exchanges, National Stock Exchange of India Limited (‘NSEIL’), BSE Limited (‘BSE’) etc and provides broking services to the clients. The Company is also registered as Depository Participant with Central Depository Services (India) Limited (CDSL).

2. Basis of preparation of financial statements

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These Financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value. The Financial statements are presented in Indian Rupees.

2.1 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 33.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without it being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

a. Financial Instruments

Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular day trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds are available for utilisation to the Company.

Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

b. Classification of financial instruments

Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income [FVOCI]
- Fair value through profit or loss [FVTPL]

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

By default, all other financial assets are subsequently measured at FVTPL.

i. Amortized cost and Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

ii. Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss. However, for equity investments in subsidiaries and associates, these are measured at cost as permitted under Ind AS 27.

Financial liabilities:

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

i. Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

ii. Financial assets and Financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; Or
- The liabilities are part of a Company of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; Or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

Financial liabilities and equity instruments

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

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 a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Reclassification of financial assets and financial liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

d. Impairment of financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. 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 portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure expected credit losses.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Centrum Broking Limited

Notes to financial statements

For the year ended March 31, 2024

e. Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

f. Collateral repossessed

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

g. Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

h. Determination of fair value

The Company measures financial instruments, such as, derivatives 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:

- a. In the principal market for the asset or liability, or
- b. 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 Broking Limited

Notes to financial statements

For the year ended March 31, 2024

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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **Level 1 financial instruments** – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- **Level 2 financial instruments** – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- **Level 3 financial instruments** – Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

i. Revenue from contract with customer

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained.

The Company recognises revenue from the following sources:

- Fee income including advisory fees, referral fees, commission income, and transaction fees is accounted at a point in time as the customer receives and consumes the benefits.
- Brokerage income on securities broking business is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date.

Centrum Broking Limited

Notes to financial statements

For the year ended March 31, 2024

j. Operating leases

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

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

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

k. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions.

l. Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

m. Foreign currency transactions

The Financial statements are presented in Indian Rupees which is also functional currency of the Parent. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

n. Retirement and other employee benefit

Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

Compensated Absences

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

o. Share-based payment arrangements

Certain employees of the Company have been granted equity-settled ESOPs by the ultimate parent company (Centrum Capital Limited). The Company recognizes a cost with respect to the services received from the said employees measured by reference to the fair value of the equity instruments granted by the ultimate parent at the grant date.

The fair value determined at the grant date is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in deemed capital contribution from the ultimate parent, to the extent it is not recovered by the ultimate parent company. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the deemed capital contribution to the extent it is not recovered by the ultimate parent company. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

p. Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of less their residual values over their useful lives. Depreciation is provided on a straight line method basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - End user devices, such as desktops, laptops, servers etc.	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

For transition to Ind AS, the Company has elected to continue with carrying value of all of its property, plant and equipment recognised as of 1 April 2018 (transition date) measured as per the previous GAAP notified by MCA rules 2006 and use that carrying value as its deemed cost as of the transition date.

q. Intangible assets

The Company's intangible assets mainly include the value of computer software and trading platform. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life. Intangibles such as software is amortised over a period of upto 5 years based on its estimated useful life.

Centrum Broking Limited

Notes to financial statements

For the year ended March 31, 2024

r. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

s. Provisions and other contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Centrum Broking Limited

Notes to financial statements

For the year ended March 31, 2024

t. Income tax expenses

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

- Current tax

The tax currently payable is based on taxable profit for the year. 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. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

- 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.

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

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

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or

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 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.

- Current and deferred tax for the year

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.

Centrum Broking Limited

Notes to financial statements (continued)

For the year ended March 31, 2024

u. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the Financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- Effective interest rate method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of characteristics of the product life cycle.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes in fee income/expense that are integral parts of the instrument.

- Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3. Cash and cash equivalents

(Currency: Indian Rupees in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	-
Balances with bank in current accounts	1554.17	624.69
Total	1,554.17	624.69

4. Bank balance other than cash and cash equivalents above

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed deposit with bank *	5,508.58	8,900.50
Less : Impairment loss allowance	(1.14)	(1.74)
Total	5,507.44	8,898.76

* The fixed deposits are pledged with Banks and clearing corporation as security towards Bank guarantee / margin requirements.

5. Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed Secured, considered good	378.84	367.02
Undisputed Unsecured, considered good	1597.54	1,698.70
Undisputed Credit impaired	317.53	317.45
Less : Impairment loss allowance - Secured, considered good	(1.28)	(1.08)
Less : Impairment loss allowance - Unsecured, considered good	(212.05)	(217.00)
Less : Impairment loss allowance - Credit impaired	(316.83)	(316.33)
Total	1,763.75	1,848.76

Trade receivables ageing schedule for the year ended as on March 31, 2024:

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade receivables	1,785.22	10.36	7.69	0.93	489.71	2,293.91
Less: Impairment loss allowance	-	-	-	-	-	(530.16)
Total Trade Receivable						1,763.75

Trade receivables ageing schedule for the year ended as on March 31, 2023:

Particulars		6 months to 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade receivables	1,863.91	2.22	1.29	2.60	513.15	2,383.17
Less: Impairment loss allowance	-	-	-	-	-	(534.41)
Total Trade Receivable						1,848.76

Reconciliation of impairment allowance on trade receivables :-

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 1, 2022	674.13
Add: Addition during the year -	24.06
(Less): Reduction during the year	(163.78)
Impairment allowance as per March 31, 2023	534.41
Add: Addition during the year -	17.45
(Less): Reduction during the year	(21.70)
Impairment allowance as per March 31, 2024	530.16

6. Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	5659.93	1641.33
Bank deposits with more than 12 months maturity	850.00	643.08
Other receivables	67.92	20.54
(Less): Impairment loss allowance	(60.60)	(59.83)
Total	6,517.25	2,245.12

7. Current tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax paid in advance	102.23	126.74
Total	102.23	126.74

8. Deferred tax assets

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

Deferred tax assets

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Impairment allowance for financial assets	172.37	173.55
Employee based payment	57.58	51.14
Property, plant and equipments	20.85	20.72
MAT Credit Entitlement	619.34	619.34
Carried forward business losses	244.93	244.93
Total	1,115.07	1,109.68

9. Property, plant and equipment

Particulars	Furniture and fixtures	Vehicles	Office Equipments	Total
Gross carrying amount as at April 1, 2022				
Opening carrying amount	49.62	66.74	182.89	299.25
Additions	0.47	-	11.75	12.22
Disposals and transfers	-	(1.56)	(0.12)	(1.68)
Closing gross carrying amount	50.09	65.18	194.52	309.79
Accumulated depreciation				
Opening accumulated depreciation	16.27	26.74	140.74	183.75
Depreciation charge during the year	5.19	7.71	9.73	22.63
Disposals and transfers	-	-	-	-
Closing accumulated depreciation	21.47	34.45	150.47	206.38
Net carrying amount as at March 31, 2023	28.62	30.74	44.05	103.41
Gross carrying amount as at April 1, 2023				
Opening carrying amount	50.09	65.18	194.52	309.79
Additions	-	-	18.90	18.90
Disposals and transfers	-	-	(0.25)	(0.25)
Closing gross carrying amount	50.09	65.18	213.17	328.44
Accumulated depreciation				
Opening accumulated depreciation	21.47	34.45	150.47	206.38
Depreciation charge during the period	8.77	7.94	24.21	40.92
Disposals and transfers	-	-	-	-
Closing accumulated depreciation	30.24	42.39	174.68	247.30
Net carrying amount as at March 31, 2024	19.85	22.80	38.49	81.14

10. Right of use assets

Particulars	Category of RoU asset	
	Vehicle	Total
As at April 1, 2023		
Gross carrying amount		
Deemed cost as at April 1, 2023	-	-
Additions	17.49	17.49
Disposals and transfers	-	-
Closing gross carrying amount	17.49	17.49
Accumulated depreciation		
Depreciation charge during the year	3.65	3.65
Disposals and transfers	-	-
Closing accumulated depreciation	3.65	3.65
Net carrying amount as at March 31, 2024	13.84	13.84

The aggregate depreciation expense on ROU assets is included under Depreciation, amortisation and impairment expense in the statement of Profit and Loss.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 10.75%.

The following is the movement in lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning	-	-
Additions	17.49	-
Finance cost accrued during the period	1.45	-
Deletions	-	-
Payment of lease liabilities	4.50	-
Balance as at end	14.44	-

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

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	5.40	-
One to five years	11.70	-
More than five years	-	-
Total	17.10	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to Rental expense recorded for short-term leases was ₹237.90 and ₹ 203.35 for the year ended March 31, 2024 and March 31,2023 respectively. Rental expense recorded for low-value assets that are not shown above as short term leases was ₹ 17.81 and ₹ 12.40 for the year ended March 31, 2024 and March 31,2023 respectively.

(Currency: Indian Rupees in lacs)

11. Intangible assets

Particulars	Trading Platform	Other Intangibles	Total
Gross carrying amount as at April 1, 2022			
Opening gross carrying amount	-	96.88	96.88
Additions	-	-	-
Disposals and transfers	-	-	-
Closing gross carrying amount	-	96.88	96.88
Accumulated depreciation			
Opening accumulated depreciation	-	39.50	39.50
Depreciation charge during the year	-	14.51	14.51
Disposals and transfers	-	-	-
Closing accumulated depreciation	-	54.01	54.01
Net carrying amount as at March 31, 2023	-	42.87	42.87
Gross carrying amount as at April 1, 2023			
Opening gross carrying amount	-	96.88	96.88
Additions	22.75	-	22.75
Disposals and transfers	-	-	-
Closing gross carrying amount	22.75	96.88	119.63
Accumulated depreciation			
Opening accumulated depreciation	-	54.01	54.01
Depreciation charge during the year	2.08	16.92	19.00
Disposals and transfers	-	-	-
Closing accumulated depreciation	2.08	70.93	73.01
Net carrying amount as at March 31, 2024	20.67	25.95	46.62

12. Intangible assets under development

Particulars	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Projects in progress - As at 31-March-2024	80.98	35.01	-	-	115.99
Projects in progress - As at 31-March-2023	52.96	-	-	-	52.96

13. Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with government authorities	1.77	7.23
Prepaid expenses	109.28	72.93
Total	111.05	80.16

14. Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	7,450.55	6,120.46
Total	7,450.55	6,120.46

* The outstanding dues of undisputed creditors other than micro enterprises and small enterprises includes dues to related parties ₹ NIL as at March 31, 2024, (previous year ₹ 0.36)

Trade payables ageing schedule for the year ended as on March 31, 2024:

Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed payables - micro enterprises and small enterprises	-	-	-	-	-
Undisputed payables - Others	7,450.55	-	-	-	7,450.55

Trade payables ageing schedule for the year ended as on March 31, 2023:

Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed payables - micro enterprises and small enterprises	-	-	-	-	-
Undisputed payables - Others	6,120.46	-	-	-	6,120.46

15. Borrowings (other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term loan (secured)		
- From financial institutions	13.83	21.89
Demand loan (secured)		
- From banks	1,778.58	1657.69
Term loan (unsecured)		
- From Related parties	2,500.00	2,500.00
- From others	325.00	75.00
Total (A)	4,617.41	4,254.58
Borrowings in India	4,617.41	4,254.58
Borrowings outside India	-	-
Total (B)	4,617.41	4,254.58

The loan from Bank consists of Overdraft. Overdraft is secured by pledge on Fixed Deposits and repayable on demand.

The Loan from Financial instituion consist of Vehicle loan, procured under EMI.

16. Subordinated liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Subordinated debts (Unsecured)		
- 10% Cumulative Preference shares	-	250.00
Total (A)	-	250.00
Subordinated debt securities in India	-	250.00
Subordinated debt securities outside India	-	-
Total (B)	-	250.00

17. Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on subordinated debts	-	156.15
Lease liability	14.44	-
Leave travel allowance	28.29	22.28
Deposits from sub-brokers	6.78	7.36
Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	828.12	683.25
Total	877.63	869.04

* Total other payables includes dues payable to related parties ₹ 539.31 as at March 31, 2024, (previous year ₹ 518.19)

Other payables ageing schedule for the year ended as on March 31, 2024:

Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed payables - micro enterprises and small enterprises	-	-	-	-	-
Undisputed payables - others	828.12	-	-	-	828.12

Other payables ageing schedule for the year ended as on March 31, 2023:

Particulars	Upto 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed payables - micro enterprises and small enterprises	-	-	-	-	-
Undisputed payables - others	683.25	-	-	-	683.25

18. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Employee benefit		
Provision for gratuity (unfunded)	155.51	105.16
Provision for leave encashment	42.18	70.47
Total	197.69	175.63

19. Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	248.96	246.42
Total	248.96	246.42

15. Borrowings (other than debt securities)

A) Term loans from financial institution - Secured

(Currency: Indian Rupees in lacs)

Tenure (From the date of the Balance Sheet)	Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
24-36 months	10.75% (9.75%)	Monthly EMI	-	4.86
12-24 months	10.75% (9.75%)	Monthly EMI	4.86	8.97
upto 12 months	10.75% (9.75%)	Monthly EMI	8.97	8.06
			13.83	21.89

B) Demand loans from Banks - secured

Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
9 to 10%	Payable on demand	1,778.58	1,657.69
		1,778.58	1,657.69

C) Term loan

Rate of Interest	Repayment Details	Related Party	As at March 31, 2024	As at March 31, 2023
11%	1 year Maturity	others	325.00	75.00
14%	1 year Maturity	Related Party	2,500.00	2,500.00
			2,825.00	2,575.00

15-1. Subordinated liabilities

Tenure (From the date of the Balance Sheet)	Premium (Rate of Interest)*	Repayment Details	As at March 31, 2024	As at March 31, 2023
24-36 months			-	250.00
12-24 months	65 (10)	Redeemable on maturity	-	-
upto 12 months			-	-
			-	250.00

* During the year the company has changed the terms of preference shares from 10% cumulative dividend to 65% premium.

Further the terms of preference shares changed to allow early redemption. Subsequently shares were redeemed as on 30th November 2023

22. Fees and commission income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Brokerage Income	4,477.32	3,500.63
Commission income	170.68	106.01
Asset Management Fees	1,972.55	2,266.40
Advisory & Research Fees	164.75	464.15
Other income	208.64	190.12
Total	6,993.94	6,527.31

23. Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	38.89	6.83
Interest on fixed deposits	549.60	445.10
Other interest income	0.38	36.36
Miscellaneous Income	22.82	0.05
Gains due to changes in the carrying amount of a financial instrument	49.96	-
Total	661.65	488.34

24. Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost:		
Interest on borrowings (other than debt securities)	718.35	257.38
Interest on subordinated liabilities	18.39	27.19
Other interest expense	3.42	0.85
Other borrowing costs	50.35	65.56
Total	790.51	350.98

25. Impairment on financial instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost:		
Trade receivables	(4.24)	(139.72)
Others	0.16	54.40
Total	(4.08)	(85.32)

26. Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	2,869.60	3,266.12
Contribution to provident and other funds	162.24	168.41
Gratuity expenses	62.55	30.57
Staff welfare expenses	48.01	43.35
Total	3,142.40	3,508.45

27. Others expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	237.90	203.35
Brokerage and commission expenses	1,583.47	1,741.54
Repairs and Maintenance	16.74	23.55
Rates and Taxes	0.05	0.04
Electricity	28.57	29.67
Insurance	5.77	4.38
Auditors Remuneration	3.25	3.15
Professional & Consultancy Charges	443.37	405.17
Books & Periodicals	0.08	0.03
Travelling and Conveyance	19.99	19.31
Telephone, Lease Line & conference Expenses	43.33	43.94
Printing and Stationery	7.08	7.12
Depository Charges	13.91	10.23
Postage & Courier Charges	3.46	3.60
Business Promotion & Entertainment	42.71	24.97
Franking Charges	4.30	6.41
Technology Expenses	272.43	192.57
Exchange / Clearing House Expenses / Transaction Charges	612.90	548.31
Membership and Subscription	139.64	160.01
Net loss on due to dealing error	60.03	50.29
Net Loss on foreign currency transaction and translation	0.13	0.10
Net loss on sale of assets	-	0.74
Bad debts	0.32	1.21
Miscellaneous	99.47	83.65
Total	3,638.90	3,563.34

Breakup of Auditors' remuneration

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit fees	2.75	2.50
Tax audit & certification fees	0.50	0.65
Total	3.25	3.15

28. Income Tax disclosures**a. The components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	-	-
Deferred tax	(5.36)	30.70
Total	(5.36)	30.70

b. Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2024 and March 31, 2023 is as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax	36.50	(364.34)
Tax at India's statutory income tax rate of 29.12% (previous year 29.12%)	10.63	(106.10)
Tax effect of the amount which are not taxable in calculating taxable income :		
- Adjustment in respect of current income tax of prior years	-	-
- Effect of non-deductible expenses	(10.63)	106.10
- Reduction in opening deferred tax asset resulting from reduction in tax rate		-
- Increase in opening deferred tax asset resulting from increase in tax rate		
- Tax losses and unabsorbed depreciation	153.45	153.45
- Other	(148.09)	(184.15)
Income tax expense at effective tax rate	5.36	(30.70)

c. The following table shows

Particulars	Year ended March 31, 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Year ended March 31, 2024
Deferred taxes in relation to:				
Property, plant and equipments	20.72	0.12	-	20.85
Impairment allowance for financial assets	173.55	(1.19)	-	172.37
Employee based payment	51.14	6.43	-	57.58
Post-employment benefit obligations	-	3.56	(3.56)	-
MAT Credit Entitlement	619.34	-	-	619.34
Carried forward business losses	244.93	-	-	244.93
		-		
Net deferred tax asset/(liability)	1,109.68	8.92	(3.56)	1,115.07

Particulars	Year ended March 31, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	Year ended March 31, 2023
Deferred taxes in relation to:				
Property, plant and equipments	21.14	(0.42)	-	20.72
Impairment allowance for financial assets	198.40	(24.85)	-	173.55
Employee based payment	56.57	(5.43)	-	51.14
Post-employment benefit obligations	-	(1.57)	1.57	-
MAT Credit Entitlement	619.34	-	-	619.34
Carried forward business losses	244.93	-	-	244.93
		-		
Net deferred tax asset/(liability)	1,140.38	(32.27)	1.57	1,109.68

29. Earnings per equity share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit after tax available for equity shareholders for basic EPS	33.21	(391.21)
Net profit after tax available for equity shareholders for diluted EPS	33.21	(391.21)
Weighted average number of equity shares for basic EPS	2,06,04,252	1,92,90,669
Weighted average number of equity shares for diluted EPS	2,06,04,252	1,92,90,669
Basic earnings per share (INR)	0.16	(2.03)
Diluted earnings per share (INR)	0.16	(2.03)

Centrum Broking Limited
Notes to financial statement (continued)

20. Equity share capital

(Currency: Indian Rupees in lacs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Rs.	Number	Rs.
Authorised shares				
Equity shares of Rs. 10 each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Preference shares of Rs. 10 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued, subscribed & fully paid-up shares				
Equity shares of Rs 10 each fully paid up	2,32,31,417	2,323.14	1,92,90,669	1,929.07
Total	2,32,31,417	2,323.14	1,92,90,669	1,929.07

a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Rs.	Number	Rs.
Outstanding at the beginning of the year	1,92,90,669	1,929.07	1,92,90,669	1,929.07
Change during the year - Addition	39,40,748	394.07	-	-
Outstanding at the end of the year	2,32,31,417	2,323.14	1,92,90,669	1,929.07

b) Terms and rights attached to equity shares

The Company has issued only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares of the Company held by the holding/ultimate holding company

Equity shareholders	As at March 31, 2024		As at March 31, 2023	
	Number	% holding	Number	% holding
Centrum Capital Ltd , the holding Company	1,18,51,491	51.01%	98,40,669	51.01%

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

Equity shareholders	As at March 31, 2024		As at March 31, 2023	
	Number	% holding	Number	% holding
Centrum Capital Ltd , the holding Company	1,18,51,491	51.01%	98,40,669	51.01%
Centrum Retail Services Limited	1,13,79,926	48.99%	94,50,000	48.99%

e) Details of promoter shareholding

Promoter	As at March 31, 2024		As at March 31, 2023	
	Number	% holding	Number	% holding
Centrum Capital Ltd	1,18,51,491	51.01%	98,40,669	51.01%
% Change during the year		20.43%		0.00%

Centrum Broking Limited
Notes to financial statement (continued)

21. Other equity

(Currency: Indian Rupees in lacs)

	As at March 31, 2024	As at March 31, 2023
Retained Earnings		
Opening balance	(5,222.92)	(4,827.88)
Add/Less:		
Profit / (loss) for the year	33.21	(391.21)
Remeasurement of defined benefit plan, net of tax	8.65	(3.83)
Less: Appropriations :	-	-
Closing balance	(5,181.06)	(5,222.92)
General reserve		
Opening balance	-	-
Add/Less:		
Addition during the year	214.91	-
Less: Appropriations :	-	-
Closing balance	214.91	-
Capital Redemption Reserve		
Opening balance	14.33	14.33
Add/Less:		
Utilised for issue of bonus shares	(14.33)	-
Closing balance	-	14.33
Securities Premium		
Opening balance	6,303.90	6,303.90
Add/Less:		
Transferred to Capital Redemption Reserve	-	-
Utilised due to premium on preference shares redemption	(124.58)	-
Closing balance	6,179.32	6,303.90
Deemed capital contribution		
Opening balance	192.64	90.34
Add/Less:		
Addition during the year	29.18	102.30
Redemption during the year	(221.82)	-
Closing balance	-	192.64
Grand Total	1,213.17	1,287.95

Centrum Broking Limited
Notes to financial statement (continued)

30. Employee benefit obligations

Employee benefit obligations

(Currency: Indian Rupees in lacs)

a) Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Provident fund	134.26	134.35
Pension fund	27.98	34.06
Superannuation fund	-	-

b) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for Indian employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance Sheet

	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2022	222.98	102.47	120.51
Current service cost	42.28	-	42.28
Interest expense/(income)	12.64	21.12	(8.48)
Return on plan assets	-	(0.02)	0.02
Actuarial loss / (gain) arising from change in financial assumptions	(7.82)	-	(7.82)
Actuarial loss / (gain) arising from change in demographic assumptions	-	-	-
Actuarial loss / (gain) arising on account of experience changes	13.20	-	13.20
(Liability Transferred Out/ Divestments)	(41.53)	-	(41.53)
Employer contributions	-	13.02	(13.02)
Benefit payments	(7.66)	(7.66)	-
As at March 31, 2023	234.09	128.93	105.16
Current service cost	43.47	-	43.47
Interest expense/(income)	17.57	9.53	8.04
Return on plan assets	-	(3.21)	3.21
Actuarial loss / (gain) arising from change in financial assumptions	11.78	-	11.78
Actuarial loss / (gain) arising from change in demographic assumptions	(4.62)	-	(4.62)
Actuarial loss / (gain) arising on account of experience changes	(22.58)	-	(22.58)
(Liability Transferred Out/ Divestments)	11.04	-	11.04
Employer contributions	-	-	-
Benefit payments	(74.75)	(74.75)	-
As at March 31, 2024	216.00	60.50	155.50

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of plan liabilities	216.00	234.09
Fair value of plan assets	60.49	128.93
Plan liability net of plan assets	155.51	105.16

ii) Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee Benefit Expenses:		
Current service cost	43.47	42.28
Total	43.47	42.28
Finance cost	8.04	(8.48)
Net impact on the profit before tax	51.51	33.80
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	3.21	0.02
Actuarial gains/(losses) arising from changes in demographic assumptions	(4.62)	-
Actuarial gains/(losses) arising from changes in financial assumptions	11.78	(7.82)
Actuarial gains/(losses) arising from changes in experience	(22.58)	13.20
Net impact on the other comprehensive income before tax	(12.21)	5.40

Centrum Broking Limited
Notes to financial statement (continued)

iii) Defined benefit plans assets

(Currency: Indian Rupees in lacs)

Category of assets (% allocation)	As at March 31, 2024	As at March 31, 2023
Insurer managed funds		
- Government securities	-	-
- Deposit and money market securities	60.49	128.93
- Debentures / bonds	-	-
- Equity shares	-	-
Total	60.49	128.93

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.18%	7.39%
Salary escalation rate*	10.00% p.a.	8.00% p.a.
Employee turnover rate	20%	10%

* takes into account the inflation, seniority, promotions and other relevant factors

v) Demographic assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

vi) Sensitivity

Year ended March 31, 2024	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1%	(6.78)	7.32
Salary escalation rate	1%	5.34	(5.23)
Employee turnover rate	1%	(1.03)	1.07

Year ended March 31, 2023	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	1%	(13.05)	14.60
Salary escalation rate	1%	11.11	(10.71)
Employee turnover rate	1%	(0.63)	0.59

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.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi) Maturity

The defined benefit obligations shall mature after year end as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
1st Following Year	47.28	18.09
2nd Following Year	35.17	23.56
3rd Following Year	28.70	30.60
4th Following Year	27.39	31.32
5th Following Year	32.53	21.07
Sum of 6 to 10	74.77	112.22
Sum of 11 years and above	39.75	165.32

Centrum Broking Limited**Notes to financial statement (continued)****31. Related party transactions****a. Name of related party by whom control is exercised"**

- Centrum Capital Limited - Holding company

b. Fellow subsidiaries & associates with whom transactions have taken place during the year

- Centrum Retail Services Limited
 - Centrum Wealth Limited
 - Centrum Financial Services Limited
 - Centrum Investments Advisors Limited
 - Centrum Capital Advisors Limited
 - Modulus Alternatives Investment Managers Limited
 - Club 7 Holidays Limited
 - Centrum ESPS Trust
 - Unity Small Finance Bank
 - Acapella Food & Restaurants Private Limited
 - Acorn Fund Consultants Private Limited (till 8th February 2023)
 - Ignis Capital Advisors Limited
 - Centrum Insurance Brokers Limited

c. Key Management Personnel

- K Sandeep Nayak
 - Nischal Maheshwari
 - Sunita Gohil (from 28.07.2022)
 - Rohit Jain

d. Relatives of Key Management Personnel

(Currency: Indian Rupees in lacs)

Nature of Transactions	2023-24	2022-23
A) With Holding Company / Group Companies		
Loans and advances taken / repayment		
- Centrum Capital Limited	1,49,200.00	-
- Centrum Retail Services Limited	97,419.00	40,835.00
- Centrum Wealth Limited	175.00	27,300.00
Loans and advances given / repayment		
- Centrum Capital Limited	1,46,700.00	-
- Centrum Retail Services Limited	99,919.00	38,335.00
- Centrum Wealth Limited	175.00	27,300.00
Redemption of preference shares		
- Centrum Capital Limited	374.58	-
Issue of Equity Shares		
- Centrum Capital Limited	193.78	-
- Centrum Retail Services Limited	185.99	-
Issue of Bonus shares		
- Centrum Capital Limited - 73000 nos	-	-
- Centrum Retail Services Limited - 70000 nos	-	-
Dividend payment		
- Centrum Capital Limited	0.01	-
- Centrum Retail Services Limited	0.02	-
Brokerage & Commission Received		
- Centrum Capital Limited	0.62	0.01
- Centrum Retail Services Limited	0.05	0.02
- Centrum ESPS Trust	0.23	0.04
- Centrum Wealth Limited	138.60	91.43
- Unity Small Finance Bank	1.32	0.88
Demat & Delayed Payment Charges Received		
- Centrum Capital Limited	0.03	0.02
- Centrum Wealth Limited	0.75	0.46
- Centrum Financial Services Limited	0.01	0.13
- Centrum Capital Advisors Limited	0.01	0.02

Centrum Broking Limited
Notes to financial statement (continued)

Nature of Transactions	2023-24	2022-23
Interest Paid		
- Centrum Capital Limited	274.93	-
- Centrum Retail Services Limited	169.00	95.32
- Centrum Wealth Limited	0.07	10.47
Investment in Bonds		
- Centrum Capital Limited	-	890.06
- Unity Small Finance Bank	-	6,524.98
Expenses Recovered		
- Centrum Capital Limited	0.76	0.73
- Centrum Retail Services Limited	-	0.15
- Acorn Fund Consultants Private Limited	-	0.03
- Centrum Insurance Brokers Limited	-	0.04
- Centrum Investment Advisors Ltd.	0.50	0.80
- Modulus Alternatives Investment Managers Limited	0.22	0.10
- Centrum Wealth Limited	5.97	49.71
- Ignis Capital Advisors Ltd.	0.11	0.10
Rent Paid		
- Centrum Retail Services Limited	232.68	200.00
Professional fees received		
- Centrum Capital Limited	79.00	-
Commission Paid		
- Centrum Wealth Limited	1,429.82	1,369.81
Interest received		
- Centrum Retail Services Limited	0.38	35.48
Other Expenses Paid		
- Centrum Retail Services Limited	240.88	242.80
- Club 7 Holidays Limited	-	2.65
- Acorn Fund Consultants Private Ltd.	-	0.06
- Centrum Capital Limited	141.48	224.73
- Centrum Wealth Limited	1.98	61.97
- Centrum Insurance Brokers Limited	0.02	-
- Acapella Food & Restaurants Private Limited	34.99	31.52
Corporate Guarantees Received		
- Centrum Capital Limited	15,000.00	15,000.00
Key Managerial Remuneration paid	515.35	286.54
Brokerage & Commission Received		
- Key Managerial Personal and Relatives	0.44	0.08
Closing Balances:		
Receivables		
- Centrum Capital Limited	71.10	-
- Centrum Capital Advisors Limited	0.01	0.02
- Centrum Retail Services Limited - Trading	-	0.56
- Centrum Wealth Limited	6.39	-
- Unity Small Finance Bank Trading A/c	0.01	0.04
Payables		
- Centrum Capital Limited	2,500.00	-
- Centrum Wealth Limited	534.43	513.41
- Centrum Wealth Limited - Trading Ledger	-	0.36
- Centrum Retail Services Limited - Others	1.98	2.13
- Centrum Retail Services Limited - Loan	-	2,500.00
- Acapella Food & Restaurants Private Limited	2.90	2.65

32. Fair value measurement

Financial Instrument by Category	(Currency: Indian Rupees in lacs)					
	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Asset						
Cash and cash equivalents	-	-	1,554.17	-	-	624.69
Bank balance other than cash and cash equivalents above	-	-	5,507.44	-	-	8,898.76
Trade receivables	-	-	1,763.75	-	-	1,848.76
Other financial assets	-	-	6,517.25	-	-	2,245.12
Total Financial Assets	-	-	15,342.61	-	-	13,617.33
Financial Liability						
Trade payables	-	-	7,450.55	-	-	6,120.46
Debt securities including accrued interest	-	-	-	-	-	-
Borrowings (other than debt securities) including accrued interest	-	-	4,617.41	-	-	4,660.73
Other financial liabilities	-	-	877.63	-	-	712.89
Total Financial Liabilities	-	-	12,945.59	-	-	11,494.08

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

Financial assets and liabilities measured at amortised cost for which fair value is disclosed	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets		-	-	-	-
Financial liabilities					
Borrowings (other than debt securities)	Level 2	4,617.41	4,617.41	4,254.58	4,254.58
Subordinated liabilities	Level 2	-	-	250.00	250.00
Other financial liabilities	Level 2	877.63	877.63	869.04	869.04

Notes:

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financials assets, trade payables and other financial liabilities (excluding lease liability) are considered to be approximately equal to their fair values due to their short term nature.

The fair values of loans and receivables are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The fair value is then extrapolated to the portfolio using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. This fair value is then reduced by impairment allowance which is already calculated incorporating probability of defaults and loss given defaults to arrive at fair value net of risk.

The fair value of the borrowings, subordinated liabilities and lease liability is determined using discounted cash flow analysis.

There are no transfers between levels 1 and 2 during the year.

Centrum Broking Limited
Notes to financial statement (continued)

33. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the Company is exposed to, how the Company manages the risk and the related accounting impact in the financial statements.

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk management

Credit risk is the risk of financial loss, the Company may face due to current / potential inability or unwillingness of a customer or counter party to meet financial/ contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of receivables. The Company has adopted a policy of dealing with creditworthy counterparties and obtain sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults

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. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The below table analyses the Company's non-derivative financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of netting agreements.

(Currency: Indian Rupees in lacs)

As at March 31, 2024	Carrying amount	Contractual cash flows					
		Gross nominal inflow/outflow	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Non-derivative financial liabilities							
Trade payables	7,450.55	7,450.55	7,450.55	-	-	-	-
Borrowings (other than debt securities)	4,617.41	4,617.41	2,080.73	27.21	2,504.60	4.87	-
Subordinated liabilities	-	-	-	-	-	-	-
Other financial liabilities	877.63	877.63	829.09	1.00	30.37	16.28	0.89
Total	12,945.59	12,945.59	10,360.37	28.21	2,534.97	21.15	0.89
Non-derivative financial assets							
Cash and cash equivalents	1,554.17	1,554.17	1,554.17	-	-	-	-
Bank balance other than cash and cash equivalents above	5,507.44	5,507.44	2,428.59	830.84	2,248.01	-	-
Trade receivables	1,763.75	1,763.75	1,763.75	-	-	-	-
Other financial assets	6,517.25	6,517.25	5,311.15	-	3.10	1,203.00	-
Total	15,342.61	15,342.61	11,057.66	830.84	2,251.11	1,203.00	-

Centrum Broking Limited
Notes to financial statement (continued)

(Currency: Indian Rupees in lacs)

As at March 31, 2023	Carrying amount	Gross nominal inflow/outflow	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Non-derivative financial liabilities							
Trade payables	6,120.46	6,120.46	6,120.46	-	-	-	-
Borrowings (other than debt securities)	4,254.58	4,254.58	1,659.62	1.99	2,579.14	13.83	-
Subordinated liabilities	250.00	250.00	-	-	-	250.00	-
Other financial liabilities	869.04	869.04	683.25	-	22.28	7.36	156.15
Total	11,494.08	11,494.08	8,463.33	1.99	2,601.42	271.19	156.15
Non-derivative financial assets							
Cash and cash equivalents	624.69	624.69	624.69	-	-	-	-
Bank balance other than cash and cash equivalents above	8,898.76	8,898.76	1,405.72	1,045.80	6,447.24	-	-
Trade receivables	1,848.76	1,848.76	1,848.76	-	-	-	-
Other financial assets	2,245.12	2,245.12	1,291.28	-	110.01	647.02	196.81
Total	13,617.33	13,617.33	5,170.45	1,045.80	6,557.25	647.02	196.81

The following table sets out the availability of the financial assets to support future funding

As at March 31, 2024	Encumbered		Unencumbered		Total
	Pledged as collateral	Other	Available as collateral	Other	
Cash and cash equivalents	-	-	-	1,554.17	1,554.17
Bank balance other than cash and cash equivalents	5,507.44	-	-	-	5,507.44
Trade receivables	-	-	1,763.75	-	1,763.75
Total assets	5,507.44	-	1,763.75	1,554.17	8,825.36

As at March 31, 2023	Encumbered		Unencumbered		Total
	Pledged as collateral	Other	Available as collateral	Other	
Cash and cash equivalents	-	-	-	624.69	624.69
Bank balance other than cash and cash equivalents	8,898.76	-	-	-	8,898.76
Trade receivables	-	-	1,848.76	-	1,848.76
Total assets	8,898.76	-	1,848.76	624.69	11,372.21

c. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to currency risk as at 31 March 2024, previous year NIL

i) Price risk

Price risk exposes the Company to fluctuations in fair values or future cash flows of a financial instrument because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company is not exposed to price risk as at 31 March 2024, previous year NIL

ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is not exposed to currency risk as at 31 March 2024, previous year NIL

iii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company is not exposed to interest rate risk as at 31 March 2024, previous year NIL

34. Maturity analysis of assets and liabilities

(Currency: Indian Rupees in lacs)

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,554.17		1,554.17	624.69		624.69
Bank balance other than cash and cash equivalents above	5,507.44	-	5,507.44	8,898.76	-	8,898.76
Trade receivables	1,763.75		1,763.75	1,848.76		1,848.76
Other financial assets	5,314.25	1,203.00	6,517.25	1,401.29	843.83	2,245.12
Non-financial assets						
Current tax assets (net)	-	102.23	102.23	-	126.74	126.74
Deferred tax Assets (Net)	-	1,115.07	1,115.07	-	1,109.68	1,109.68
Property, plant and equipment	-	81.14	81.14	-	103.41	103.41
Right to use	-	13.84	13.84	-	-	-
Other intangible assets	-	162.61	162.61	-	95.83	95.83
Other non-financial assets	69.87	41.18	111.05	74.00	6.16	80.16
Total assets	14,209.48	2,719.07	16,928.55	12,847.50	2,285.65	15,133.15
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7,450.55	-	7,450.55	6,120.46	-	6,120.46
Borrowings (other than debt securities)	4,612.54	4.87	4,617.41	4,240.75	13.83	4,254.58
Subordinated liabilities	-	-	-	-	250.00	250.00
Other financial liabilities	860.46	17.17	877.63	705.53	163.51	869.04
Non-financial Liabilities						
Provisions	104.40	93.29	197.69	111.17	64.46	175.63
Other non-financial liabilities	248.96	-	248.96	246.42	-	246.42
Total liabilities	13,276.91	115.33	13,392.24	11,424.33	491.80	11,916.13
Net	932.57	2,603.74	3,536.31	1,423.17	1,793.85	3,217.02

Change in liabilities arising from financing activities

Particulars	As at March 31, 2022	Cash flows	Other	As at March 31, 2023	Cash flows	Other	As at March 31, 2024
Subordinated debt securities including accrued interest thereon	378.96		27.19	406.15	(374.58)	(31.57)	-
Borrowings other than debt securities including accrued interest thereon	28.77	4,225.81		4,254.58	362.83		4,617.41
Total liabilities from financing activities	407.73	4,225.81	27.19	4,660.73	(11.75)	(31.57)	4,617.41

Other column includes the effect of accrued but not paid interest on borrowing.

35. Ratios

	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance
Current Ratio	Current Assets	Current Liabilities	1.07	1.14	-(6.12)%
Debt Equity Ratio	Total Debt	Shareholder's Equity	1.31	1.32	(1.27)%
Debt Service Coverage Ratio (1)	Earning available for debt service	Debt Service	1.22	(0.35)	(447.39)%
Return on Equity Ratio	Profit / (loss) after tax	Avg. Shareholders Equity	0.98%	-11.75%	(12.73)%
Trade Receivables Turnover Ratio	Revenue	Average Gross Trade Receivables	2.99	2.88	(3.78)%
Trade Payables Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	8.89	10.90	(18.40)%
Net Capital Turnover Ratio (2)	Revenue	Working Capital	7.50	4.25	(76.46)%
Net Profit Ratio	Net Profit	Net Sales	0.43%	-5.63%	(6.06)%
Return on Capital employed	Earning before interest and taxes	Capital Employed	22%	-0.35%	(22.66)%

(1) Profit earned during the year resulted in favourable ratio

(2) Increase in Revenue resulted in favourable ratio

Centrum Broking Limited
Notes to financial statement (continued)

36. Segment information

The Company's Chief financial officer (CFO) and Managing director (MD) have been identified as the Chief Operating Decision Maker, examine the Company's performance on an entity level. The Company Broking business as primary activity which has been further segregated to various segments i.e Retail broking, Institutional Broking and Portfolio Management Services (PMS). The company does not have any reportable geographical segment. Thus the segment revenue, segment results, total carrying value of segment assets and segment liabilities, total costs incurred to acquire segment assets, total amount of charge of depreciation during the period are all reflected in the financial statements. No single customer contributes more than 10% of the total revenue earned during the year.

(Currency: Indian Rupees in lacs)

	Retail Broking	Institutional Broking	PMS	Total
Revenue	1,806.24	3,788.00	1,972.50	7,566.74
	<i>1,270.96</i>	<i>3,044.01</i>	<i>2,266.40</i>	<i>6,581.37</i>
Identifiable Expenses	2,020.19	3,640.82	1,966.80	7,627.81
	<i>1,686.10</i>	<i>3,408.60</i>	<i>2,237.35</i>	<i>7,332.05</i>
Segment Profit (Loss)	(213.95)	147.18	5.70	(61.07)
	<i>(415.14)</i>	<i>(364.59)</i>	<i>29.05</i>	<i>(750.68)</i>
Unallocated Income				88.85
				<i>434.28</i>
Unallocated Expenses				3.49
				<i>42.54</i>
Profit before income taxes				24.29
				<i>(358.94)</i>
Income tax expense				(8.92)
				<i>32.27</i>
Net profit / (loss)				33.21
				<i>(391.21)</i>
Segment assets	11,065.39	5,231.72	631.44	16,928.55
	<i>10,420.01</i>	<i>4,013.82</i>	<i>699.32</i>	<i>15,133.15</i>
Segment liabilities	7,774.30	5,026.72	591.22	13,392.24
	<i>8,844.35</i>	<i>2,919.23</i>	<i>152.55</i>	<i>11,916.13</i>

* previous years figures are shown in italics

37. Earning / Expenditure in Foreign currency

(Currency: Indian Rupees in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Earning		
- Consultancy Income	28.72	41.08
Expenditure		
- Subscription	6.43	10.79
Total Expenditure	6.43	10.79

38. Dividend paid and proposed

The Company has not declared any dividend during the year. Further, no dividend is proposed for approval at Annual General Meeting.

39. Commitments and contingencies

(Currency: Indian Rupees in lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against company not acknowledged as debt	169.46	160.21

40. Relationship with struck off companies

Name of Struck off Company	Nature of transactions	Balance outstanding as at March 31, 2024	Relationship with the Struck off company
ROMY REALTY PRIVATE LIMITED	Receivable	0.07 (6.85)	Trade Debtors
S.D.B. CONSULTANTS PVT LTD	Receivable	0.07 (0.03)	Trade Debtors
Total		0.14 (6.88)	

For M/s. Bhogilal C. Shah & Co
Chartered Accountants
Firm's Registration No: 101424W

Suril Shah
Partner
Membership No: 42710
Mumbai
24th April 2024

For and on behalf of the Board of Directors of
Centrum Broking Ltd

K Sandeep Nayak
Director
DIN: 03281505

Nischal Maheshwari
Director
DIN: 00279658

Rohit Jain
CFO
Mumbai
24th April 2024

Sunita Gohil
Company Secretary



HEMANT GOYAL & ASSOCIATES

CHARTERED ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM CAPITAL ADVISORS LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CENTRUM CAPITAL ADVISORS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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 Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2024, its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The management report is expected to be made available to us after the date of this auditor's report.

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



HEMANT GOYAL & ASSOCIATES

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

When we read the director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "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:



HEMANT GOYAL & ASSOCIATES

CHARTERED ACCOUNTANT

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. 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 31,2024;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As no dividend was declared or paid during the year by the Company, no reporting is required about the compliance to S.123 of the Act.
- vi. Based on our examination which included test checks performed, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 29th April, 2024
UDIN-24131566BKDAA02062



HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

Annexure 1 to the Independent Auditors' Report – March 31st, 2024

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company does not have any intangible assets and as such paragraph 1(a)(B) of the Order is not applicable to the company.
 - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are periodically verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) As the company does not hold any immovable property, paragraph 3(i)(c) of the Order is not applicable to the company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and as such paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.



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- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities as applicable to it. the Company did not have any undisputed dues outstanding for a period of more than six months from the date payable on account of sales tax, wealth tax, customs duty, service tax, excise duty, cess, investor education and protection fund and employees' state insurance, to the extent applicable, as at March 31, 2024
 - (b) According to the information and explanations given to us, there were no disputed amounts payable in respect of income-tax, service tax and other material statutory dues as at March 31, 2024
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The loans were applied for the purpose for which the loans were obtained.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or



HEMANT GOYAL & ASSOCIATES

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to meet the obligations of its associates.

- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) As the company does not belong to class to which vigil mechanism is applicable under the Act and Rules, clause xi (c) of the order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) As explained to us the requirements of having internal audit under the Companies Act, 2013 are not applicable and as such reporting under clause 3(xiv) of the Order is not applicable
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) As informed to us, there is one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. Company had incurred cash losses during the financial year, however there was no cash loss in the immediately preceding financial year, and as such reporting under clause 3(xvii) of the Order is not applicable.



HEMANT GOYAL & ASSOCIATES

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- xviii. As there is no resignation of statutory auditor, reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company is not liable for contribution to Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 29th April, 2024
UDIN-



HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **CENTRUM CAPITAL ADVISORS LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **CENTRUM CAPITAL ADVISORS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 29th April, 2024
UDIN-

Centrum Capital Advisors Limited
Balance sheet as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-24	As at 31-Mar-23
ASSETS			
Non-current assets			
(a)Property, plant & equipment	2a	-	0.09
(b)Intangible assets under development	2b	18.79	-
(c)Deferred tax assets	3	-	0.25
(d)Other financial assets	4	0.10	0.10
		18.89	0.44
Current assets			
(a)Financial Assets			
(i)Investments	5	-	2,259.47
(ii)Trade receivable	6	-	7.00
(iii)Cash and cash equivalents	7	15.73	10.42
(b)Current Tax Assets (net)	8	49.73	53.66
(c)Other current assets	9	84.60	17.29
		150.06	2,347.84
Total Assets		168.95	2,348.28
LIABILITIES AND EQUITY			
LIABILITIES			
Equity & Liabilities			
Equity Share capital	10	100.00	100.00
Other equity	11	(17.43)	(12.83)
		82.57	87.17
Current liabilities			
(a)Financial Liabilities			
(i)Borrowings	12	30.00	2,189.05
(ii)Trade payables	13		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.83
(b)Provision	14	54.13	3.38
(c)Other current liabilities	15	2.25	67.85
		86.38	2,261.11
Total Liabilities and Equity		168.95	2,348.28

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

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

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
DATE : 29th April 2024

Dinesh Kandoi
Whole-time Director
DIN: 09806060
Place : Mumbai
DATE : 29th April 2024

Kapil Bagla
Director
DIN : 00387814

Centrum Capital Advisors Limited
Statement of Profit and Loss for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
REVENUE			
Revenue from operations	16	232.76	361.56
Other income	17	1.71	2.27
Total revenue		234.47	363.83
EXPENSES			
Finance costs	18	113.17	299.99
Direct cost of services rendered	19	32.42	28.87
Employee benefit expense	20	1.70	0.06
Depreciation and amortisation expense	21	0.03	0.06
Other expenses	22	91.50	8.29
Total expenses		238.82	337.27
Profit / (loss) before tax		(4.35)	26.56
Income tax expense			
Current tax		-	-
Tax Adjustments for earlier years		-	-
Deferred tax		(0.25)	0.25
Profit / (loss) for the year / period - (A)		(4.60)	26.81
Other Comprehensive Income			
Other Comprehensive Income for the year / period (net of tax) - (B)		-	-
Total Comprehensive Income for the year / period (A+B)		(4.60)	26.81
Earnings per Equity Shares			
Basic		(0.46)	2.68
Diluted		(0.46)	2.68

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

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

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
DATE : 29th April 2024

Dinesh Kandoi
Whole-time Director
DIN: 09806060
Place : Mumbai
DATE : 29th April 2024

Kapil Bagla
Director
DIN : 00387814

Centrum Capital Advisors Limited
Cash Flow Statement for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before tax	(4.35)	26.56
Add / (Less) : Adjustments for		
Interest income		(2.03)
Interest expenses	113.17	299.99
Depreciation/Amortisation	0.03	0.06
Unamortised Income	-	61.05
Operating loss before working capital changes	108.85	385.63
Adjustments for:		
Decrease/(Increase) in Trade receivable	7.00	(7.00)
Decrease/(Increase) in Other financial assets	-	0.05
Decrease/(Increase) in Other current assets	(67.31)	0.68
Increase/(Decrease) Employee benefit obligations	-	(0.66)
Increase/(Decrease) Trade Payable	(0.83)	-
Increase/(Decrease) Provision & other current liabilities	50.75	(6.47)
Increase/(Decrease) other liabilities	(65.59)	5.33
Cash used / generated from operations	32.87	377.56
Income taxes paid (net of refunds)	(3.93)	37.40
Net cash used / generated by operating activities (A)	36.80	340.16
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	0.06	-
Capital work - in - progress	(18.79)	-
Current investments made during the period	2,259.47	(2,259.47)
Loans/advances given	-	(6.00)
Loans/advances received back	-	40.00
Interest received	-	2.03
Net cash used in investing activities (B)	2,240.73	(2,223.44)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-term borrowings	6,040.00	19,711.00
Repayment of Short-term borrowing	(8,199.05)	(17,521.95)
Interest paid	(113.17)	(299.99)
Net cash generated from Financing Activities (C)	(2,272.22)	1,889.06
Net increase in cash and cash equivalents (A+B+C)	5.31	5.78
As at the beginning of the year / period	10.42	4.64
Closing cash and cash equivalents	15.73	10.42
Cash and cash equivalents at the end of the year / period (refer note 6)		
Balance with scheduled banks-Current accounts	15.73	10.42
Closing cash and cash equivalents	15.73	10.42
Changes in the Liabilities arising from financing activities		
As at the beginning of year / period	2,189.05	(0.00)
Additional Borrowings during the year / period	6,040.00	19,711.00
Repayment during the year / period	(8,199.05)	(17,521.95)
As at the end of the year / period	30.00	2,189.05

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.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

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

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
DATE : 29th April 2024

Dinesh Kandoi
Whole-time Director
DIN: 09806060
Place : Mumbai
DATE : 29th April 2024

Kapil Bagla
Director
DIN : 00387814

Centrum Capital Advisors Limited**Statement of Changes in Equity for the year ended 31st March 2024**

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
As at 1st April, 2022	100
Changes in equity share capital during for the year	-
Balance as at 31st March, 2023	100
Changes in equity share capital during for the year	-
Balance as at 31st March, 2024	100

B. Other Equity

Particulars	Retained Earnings	Total Amount
As at 1st April, 2022	(39.64)	(39.64)
Profit /(Loss) for the year	26.81	26.81
Other comprehensive income	-	-
Balance as at 31st March, 2023	(12.83)	(12.83)
Profit /(Loss) for the year	(4.60)	(4.60)
Other comprehensive income	-	-
Balance as at 31st March, 2024	(17.43)	(17.43)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants**For and on behalf of the Board of Directors**
Centrum Capital Advisors Limited**Hemant Goyal**
Partner
Membership No.: 131566**Dinesh Kandoi**
Whole-time Director
DIN: 09806060**Kapil Bagla**
Director
DIN : 00387814Place : Mumbai
DATE : 29th April 2024Place : Mumbai
DATE : 29th April 2024

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

1. CORPORATE INFORMATION

Centrum Capital Advisors Limited is the public limited company incorporated on April 26th, 2019 with an object to carry on business

- Of acting as arranger, advisor, consultant to manage the issue of Companies, Corporations, body corporate, undertakings etc.
- To hold, sell, buy or otherwise deal in shares, debentures stock, bonds, units, obligations, securities instruments issued by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities or bodies or any Company, Corporation Firm or Person whether incorporated or established in India or elsewhere.

2. 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 Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(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 arranger/advisor/consultant services to other entities.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Arranger and monitoring services	Revenue is recognised at the point in time when performance obligation is satisfied as per contractual terms with customers and there is no uncertainty as to measurement or collectability of consideration.
Income from trading in securities	Income from trading in securities is accounted for when the control of the securities is passed on to the customer, which is generally on sale of securities.
Business support services	Revenue is recognised at the point in time when performance is satisfied as per contractual terms with the customers.

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 Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

(h) 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 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.

(i) 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.

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

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.

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	At fair value plus transaction costs that are directly attributable to	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

		financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	the acquisition of the financial asset	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 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.

Centrum Capital Advisors Limited**Notes to the Financial Statements for the period ended and as at 31 March 2324****(All amounts in INR Lakhs, unless otherwise stated)**

Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	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. 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:

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

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

(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.

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

(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
- 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.

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

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.

(j) 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.

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 with in 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

(k) Provisions and Contingencies

Provisions for 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.

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

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.

(l) 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.

(m) 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.

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.

(n) 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 period in which the estimates are revised and in any future period 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.

Centrum Capital Advisors Limited

Notes to the Financial Statements for the period ended and as at 31 March 2324

(All amounts in INR Lakhs, unless otherwise stated)

- 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.
- e. Disclosure of Transactions with struck of companies:** During this financial year there are no transactions done with struck of companies.
- f. Foreign Currency Transactions and Balances:** Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are taken to the income statement.
- g. Details of Crypto Currency or Virtual Currency:** Company has not made trade in Crypto currency or Virtual Currency

Centrum Capital Advisors Limited

Notes to the Financial Statements for the Year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

2a PROPERTY, PLANT & EQUIPMENT

Particulars	Computers - Hardware	Office equipments	Total
As at 1st April 2022	0.12	0.22	0.34
Additions - March 2023	-	-	-
Disposals - March 2023	-	-	-
As at 31st March 2023	0.12	0.22	0.34
Additions - March 2024	-	-	-
Disposals - March 2024	0.12	0.22	0.34
As at 31st March 2024	-	-	-
Accumulated Depreciation			
As at 1st April 2022	0.10	0.08	0.18
Additions - March 2023	0.02	0.05	0.07
Disposals - March 2023	-	-	-
As at 31st March 2023	0.12	0.13	0.25
Additions - March 2024	-	0.03	0.03
Disposals - March 2024	0.12	0.17	0.28
As at 31st March 2024	-	-	-
Net Block			
As at 31st March 2024	-	-	-
As at 31st March 2023	0.00	0.09	0.09

2b

Amount in Intangible Assets under Development for a period	As at March 31, 2024	As at March 31, 2023
	Projects in progress	Projects in progress
Less than 1 year	18.79	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	18.79	-

Centrum Capital Advisors Limited

Notes to the Financial Statements for the Year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

3. Deferred tax assets

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

	As at 31-Mar-24	As at 31-Mar-23
Deferred tax assets		
Employee based payment	-	0.00
Other Expenses	-	0.24
Total	-	0.25

4. OTHER FINANCIAL ASSETS

	As at 31-Mar-24	As at 31-Mar-23
Security deposits	0.10	0.10
Total	0.10	0.10

5. Investments

	As at 31-Mar-24	As at 31-Mar-23
Current		
Investment in debentures held for trading at FVTPL		
Unquoted	-	2,259.47
(No of Bonds: NIL, PY(222))	-	-
Total	-	2,259.47

6. Trade Receivable

	As at 31-Mar-24	As at 31-Mar-23
Trade receivable considered goods-secured	-	7.00
Total	-	7.00

Particulars	As at 31st March 2024					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables	7.00	-	-	-	-	7.00
Less: Impairment loss allowance	-	-	-	-	-	-
Total Trade Receivable	7.00	-	-	-	-	7.00

7. CASH AND CASH EQUIVALENTS

	As at 31-Mar-24	As at 31-Mar-23
Balances with banks - In current accounts	15.73	10.42
Total	15.73	10.42

8. CURRENT TAX ASSETS (NET)

	As at 31-Mar-24	As at 31-Mar-23
Advance Tax	49.73	53.66
Total	49.73	53.66

9. OTHER CURRENT ASSETS

	As at 31-Mar-24	As at 31-Mar-23
Balances with Government authorities	17.23	17.29
Contract Assets	67.37	-
Total	84.60	17.29

Centrum Capital Advisors Limited
Notes to the Financial Statements for the Year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

10. SHARE CAPITAL

	As at 31-Mar-24	As at 31-Mar-23
Authorized		
20,00,000 equity shares of Rs. 10 each (PY 10,00,000)	200.00	100.00
Total	200.00	100.00
Issued, subscribed and fully paid up		
10,00,000 equity shares of Rs. 10 each	100.00	100.00
Total	100.00	100.00

10.a Reconciliation of shares outstanding at the beginning and at the end of the year / period

	As at 31-Mar-24 No. of shares	As at 31-Mar-24 Amount	As at 31-Mar-23 No. of shares	As at 31-Mar-23 Amount
For equity shares:				
Number of shares Outstanding at beginning of the year / period	10,00,000.00	100.00	10,00,000.00	100.00
Shares issued during the year / period	-	-	-	-
Balance at the end of the year / period	10,00,000.00	100.00	10,00,000.00	100.00

10.b Rights, preferences and restrictions attached to shares

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.

10.c Particulars of shareholders holding more than 5% of aggregate shares

	As at 31-Mar-24 %	As at 31-Mar-24 No of shares	As at 31-Mar-23 %	As at 31-Mar-23 No of shares
Equity shares				
Centrum Capital Limited with its nominees - Promoter*	100	10,00,000	100	10,00,000
Total	100	10,00,000	100	10,00,000

* There is no change in the promoter shareholding during the year (previous year - No change)

11. OTHER EQUITY

	As at 31-Mar-24	As at 31-Mar-23
Surplus/(Deficit) in Statement of Profit and Loss		
Balance as at the beginning of the year	(12.83)	(39.65)
Add: Profit/(Loss) for the year	(4.60)	26.81
Total	(17.43)	(12.83)

12. BORROWINGS

	As at 31-Mar-24	As at 31-Mar-23
Unsecured Loans from related parties	30.00	2,189.05
Total	30.00	2,189.05

13. TRADE PAYABLES

	As at 31-Mar-24	As at 31-Mar-23
Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	-	0.83
Total	-	0.83

* Includes amount payable to related parties NIL (previous year NIL)

Particulars	Outstanding as on 31/03/2023 from due date of payment				
	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	0.83	-	-	-	0.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.83	-	-	-	0.83

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

No interest has been paid/ is payable by the company during the year to 'Suppliers' registered under MSME Act,2006. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicabilities under the said Act.

Trade Payables includes NIL payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. Interest paid by the Company during the year to "Suppliers" registered under this Act is Nil. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

Centrum Capital Advisors Limited**Notes to the Financial Statements for the Year ended and as at 31st March 2024**

(All amounts in INR Lakhs, unless otherwise stated)

14. PROVISIONS

	As at 31-Mar-24	As at 31-Mar-23
Provisions for expense	54.13	3.38
Total	54.13	3.38

15. OTHER CURRENT LIABILITIES

	As at 31-Mar-24	As at 31-Mar-23
Statutory dues	2.25	6.41
Advance from customers	-	0.39
Unamortised Income	-	61.05
Total	2.25	67.85

Centrum Capital Advisors Limited

Notes to the Financial Statements for the Year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

	Year ended 31-Mar-24	Year ended 31-Mar-23
16. REVENUE FROM OPERATIONS		
Debenture Holder Representative Fees	-	0.40
Income From Trade in Bonds	-	29.75
Interest earned from Bonds	232.76	287.67
Professional consultancy income	-	43.75
Total	232.76	361.56
17. OTHER INCOME		
Interest income on ICD	-	2.03
Miscellaneous income	-	0.24
Interest on Income tax refund	1.71	-
Total	1.71	2.27
18. FINANCE COSTS		
Interest on Borrowings	113.17	299.99
Total	113.17	299.99
19. DIRECT COST OF SERVICES RENDERED		
Distribution Fees	32.42	28.87
Total	32.42	28.87
20. EMPLOYEE BENEFITS EXPENSE		
Salaries, allowances and bonus	1.61	-
Contributions to provident and other fund	0.09	0.06
Total	1.70	0.06

Centrum Capital Advisors Limited**Notes to the Financial Statements for the Year ended and as at 31st March 2024****(All amounts in INR Lakhs, unless otherwise stated)**

21. DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended 31-Mar-24	Year ended 31-Mar-23
Depreciation on property, plant and equipment	0.03	0.06
Total	0.03	0.06

22. OTHER EXPENSES

	Year ended 31-Mar-24	Year ended 31-Mar-23
Shared Support Services expenses	50.00	-
Legal & professional fees	15.89	5.69
Audit fees	2.00	2.00
Stamp duty, registration and filing fees	1.20	0.07
Loss on Sale of Securities	10.23	-
Office expenses	1.67	0.29
Miscellaneous expenses	10.51	0.24
Total	91.50	8.29
Note: Auditors' remuneration		
Audit Fees - Statutory Audit	2.00	2.00
Out of Pocket Expenses	-	-
Total	2.00	2.00

Centrum Capital Advisors Limited
Notes to the Financial Statements for the year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

23. 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 year March 31, 2024.

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-24	As at 31-Mar-23
Borrowings		
Long term and Short term borrowings	30.00	2,189.05
Less: cash and cash equivalents	15.73	10.42
Adjusted net debt	14.27	2,178.63
Total Equity	57.52	87.17
Adjusted net debt to adjusted equity ratio	25%	2499%

24. 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-24	Year ended 31-Mar-23
Employer's Contribution to Provident Fund	0.06	-
Provident Fund Administration charges	0.02	0.06

25. 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

- Holding Company
- Fellow Subsidiaries

Name of the Parties

Centrum Capital Limited
 Modulus Alternatives Investment Managers Limited
 Centrum Retail Services Limited
 Centrum Wealth Limited
 Centrum Broking Limited
 Unity Small Finance Bank Limited
 Venkatasubramanian Sriram (From 25th August 2021)
 Kapil Bagla (From 07th September 2023)
 Vijay Laxmi (From 07th September 2023)
 Dinesh Ratanlal Kandoi (From 07th September 2023)

- Key Managerial Personnel (KMP)

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31-Mar-24	Year ended 31-Mar-23	As at 31-Mar-24	As at 31-Mar-23
Centrum Capital Limited	ICD (Loan taken)	6,040.00	8,500.00	-	-
	ICD (Loan repaid)	8,199.05	6,310.95	(30.00)	(2,189.05)
	Interest expenses on loan	113.17	270.96	-	-
Modulus Alternative Investment Managers Limited	ICD (Loan given)	-	6.00	-	-
	ICD (Loan received back)	-	40.00	-	-
	Interest income on loan	-	2.03	-	-
	ICD (Loan taken)	7.00	-	-	-
	ICD (Loan repaid)	7.00	-	-	-
	Interest expenses on loan	0.00	-	-	-
Centrum Retail Services Limited	Sale/Purchase of Assest	0.06	-	-	-
	Support service expenses	50.00	-	(49.00)	-
	ICD (Loan taken)	-	11,211.00	-	-
	ICD (Loan repaid)	-	11,211.00	-	-
	Interest expenses on loan	-	29.03	-	-
Centrum Wealth Limited	Common cost sharing expenses	-	0.01	-	-
	Recovery of Expense	-	-	-	-
	Recovery of Income	-	-	-	-
	Investment in Bonds	1,297.60	2,210.00	-	-
Centrum Broking Limited	Interest on investment in bonds	-	1,893.62	-	(0.10)
	Distribution expenses	-	28.88	-	-
	DP Charges	0.01	0.02	(0.00)	-
Unity Small Finance Bank Limited	Recovery of Expense	-	-	-	-
	Investment in Bonds	295.44	-	-	-
Unity Small Finance Bank Limited	Investment in MLD	-	4,388.00	-	-
	Interest on investment in bonds	-	2,132.40	-	-

Centrum Capital Advisors Limited
Notes to the Financial Statements for the year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

26. 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-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-23
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Measured at FVTPL				
Investments	-	-	2,259.47	2,259.47
Measured at amortized cost				
Cash and cash equivalents	15.73	15.73	10.42	10.42
Other financial assets	0.10	0.10	0.10	0.10
Total	15.83	15.83	2,269.99	2,269.99
Financial Liabilities (measured at amortized cost)				
Trade payables	-	-	0.83	0.83
Borrowings	30.00	30.00	2,189.05	2,189.05
Total	30.00	30.00	2,189.88	2,189.88

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.

27. 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) Other financial assets

The Company had other financial assets of INR 0.10 Lakhs as at March 31, 2024 (previous period INR 0.10 Lakhs) Which does not expose the company the credit risk.

(ii) Cash and bank balances

The Company held cash and bank balance of INR 15.73 Lakhs as at March 31, 2024, (previous period INR 10.42 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.

B. Market Risk

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

Particulars	As at 31st March 2024			As at 31st March 2023		
	Carrying amount	Traded Risk	Non traded Risk	Carrying amount	Traded Risk	Non traded Risk
Financial Assets						
Investments	-	-	-	2,259.47	2,259.47	-
Cash and cash equivalents	15.73	-	15.73	10.42	-	10.42
Loans	-	-	-	-	-	-
Other financial assets	0.10	-	0.10	0.10	-	0.10
Total	15.83	-	15.83	2,269.99	2,259.47	10.52
Financial Liabilities (measured at amortized cost)						
Trade payables	-	-	-	0.83	-	0.83
Borrowings	30.00	-	30.00	2,189.05	-	2,189.05
Total	30.00	-	30.00	2,189.88	-	2,189.88

C. 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
As at 31st March 2024			
Trade Payables	-	-	-
Borrowings	30.00	-	30.00
Other financial liabilities	-	-	-
Total	30.00	-	30.00
As at 31st March 2023			
Trade Payables	0.83	-	0.83
Borrowings	2,189.05	-	2,189.05
Other financial liabilities	3.38	-	3.38
Total	2,193.26	-	2,193.26

Centrum Capital Advisors Limited**Notes to the Financial Statements for the year ended and as at 31st March 2024**

(All amounts in INR Lakhs, unless otherwise stated)

D. 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.

E. 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.

28. EARNING PER SHARE

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
i) Profit / (loss) after Taxes attributable to equity shareholders	(4.60)	26.81
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the period (nos)	10,00,000	10,00,000
iii) Weighted average number of shares outstanding at the end of the period (nos)	10,00,000	10,00,000
iv) Basic earnings per share	(0.92)	2.68
v) Diluted earning per share	(0.92)	2.68

29. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31-Mar-24	As at 31-Mar-23
Contingent liabilities and commitments	Nil	Nil

30. CAPITAL AND OTHER COMMITMENT

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

31. SEGMENT REPORTING

Centrum Capital Advisors Limited is predominantly engaged in business of acting as arranger, advisor, consultant to manage the issue of Companies, Corporations, body corporate, undertakings etc. and to hold, sell, buy or otherwise deal in shares, debentures stock, bonds, units, obligations, securities and instruments issued by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities or bodies or any Company, Corporation Firm or Person whether incorporated or established in India or elsewhere. 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.

32. 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. In the previous period 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.

33. Ratio:

Particulars	Numerator	Denominator	31-03-2024	31-03-2023	Variance
Current Ratio (1)	Current Assets	Current Liabilities	1.74	1.04	67%
Debt Equity Ratio (2)	Total Liabilities	Shareholder's Equity	0.36	25.11	99%
Debt Service Coverage Ratio (3)	Earning available for debt service	Debt Service	0.96	1.09	(12)%
Return on Equity Ratio (4)	Profit/(loss) after tax	Average shareholders equity	(0.05)	0.36	(115)%
Net Capital Turnover Ratio (1)	Revenue	Average Working Capital	3.68	4.19	(12)%
Net Profit Ratio (4)	Net Profit	Revenue	(0.02)	0.07	(127)%
Return on Capital employed (4)	Earning before interest and taxes	Capital Employed	1.32	3.75	(65)%

(1) Timely clearing of vendor dues resulted in improved ratio

(2) Repayment of debt resulted in improved ratio

(3) Loss incurred during the year has resulted in unfavourable ratio

34. Relationship with Struck off company

List of Companies	Nature of transactions	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
-	-	-	-

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

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

Hemant Goyal
Partner
Membership No.: 131566

Dinesh Kandoi
Whole-time Director
DIN: 09806060

Kapil Bagla
Director
DIN : 00387814

Place : Mumbai
DATE : 29th April 2024

Place : Mumbai
DATE : 29th April 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Centrum Financial Services Limited

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of Centrum Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024 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 ended on that date and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the losses and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the IND AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the IND AS financial statements of the current period. These matters were addressed in the context of our audit of the IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Impairment Assessment of Investments in Subsidiary and Associate Companies</p> <p>The company has investments of Rs. 53,616 lakh as on March 31, 2024 in subsidiary companies and associate companies that accounts for about 93% of the total assets of the company.</p> <p>The company accounts for its investments in the subsidiary and associate companies at cost as per Ind AS 27 – Separate Financial Statements.</p> <p>Ind AS 36 – Impairment of Assets, prescribes the procedures that an entity applies to ensure that its</p>	<p>Principal Audit Procedures Performed included the following:</p> <ul style="list-style-type: none">– Understood the design and implementation of relevant internal controls with respect to Investments including its impairment assessment– Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to valuation of Investments during the year ended 31st March, 2024

<p>assets are carried at no more than their recoverable amount. A deficit between recoverable value and carrying value would result in impairment. Ind AS 36 requires an entity to make a formal estimate of recoverable amount only if indication of impairment loss is present.</p> <p>Some indicators that an impairment loss is present includes, but is not limited to:</p> <ul style="list-style-type: none"> - Significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated - Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially - Significant changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite, etc. <p>Impairment Assessment of Investments is considered a key audit matter because the identification of an impairment indicator is highly based on management judgment and is affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the IND AS Financial Statements as a whole.</p> <p>Kindly refer Note No. 5 of the IND AS Financial Statements</p>	<ul style="list-style-type: none"> - We compared the carrying values of the investment in subsidiaries and associates for which audited financial statements were available with their respective net asset values and earnings for the period - We obtained management's evaluation of impairment analysis and evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value/ value in use. - We have evaluated valuation reports issued by an independent valuer for valuation of investments in subsidiary and associate companies.
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<p>2.</p>	<p>Valuation of Market Linked Debentures</p> <p>The Company has significant amount of outstanding Market Linked Debentures (MLDs) as on 31st March, 2024 aggregating to Rs. 9,862 lakh. Also, the Company has engaged external experts for valuation of MLDs.</p> <p>We have identified the valuation of and the accounting treatment for MLDs as a key audit matter because the accounting and valuation of MLDs involves a significant degree of management's judgment and external expert's opinion.</p> <p>Kindly refer Note 10.3 of the IND AS financial statements</p>	<p>Principal Audit Procedures Performed included the following:</p> <ul style="list-style-type: none"> – Inspected Board minutes and the minutes of the Finance Committee to assess whether the transactions were appropriately authorized – Understood the design and implementation of relevant internal controls with respect to MLDs including review of the term sheets – Verified the calculations carried out to separate the derivative component from MLDs – We examined the valuation report from external experts engaged by the Company to identify the value of derivative element which was assessed by us particularly with reference to underlying assumptions in discussion with external experts
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Information Other than the IND AS financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the IND AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the IND AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

The Board of Directors is 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 these 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to IND AS 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid IND AS financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to IND AS financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 23 to the IND AS financial statements;

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d.
 - i. The Management has represented that, (Kindly refer Note No. 40 to the IND AS financial statements) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented that, (Kindly refer Note No. 40 to the IND AS financial statements) to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The company has not declared any dividend during the Financial Year, hence reporting in respect to compliance under section 123 of the Act is not applicable.
- f. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

Annexure A referred to in the Independent Auditors Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the IND AS financial statements for the year ended March 31, 2024, we report the following:

- i.
 - a. The Company does not hold any Property, Plant and Equipment as on March 31, 2024, hence reporting under paragraph 3(i)(a), 3(i)(b), 3(i)(c) and 3(i)(d) is not applicable.
 - b. To the best of our knowledge, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. The Company is a Non – Banking Finance Company (CIC-ND-SI) and does not hold any inventory. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.
 - b. The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the financial year. Hence reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. Based on the information and explanations given to us, the Company has made investments in other companies during the year. The company has not provided any guarantee or security, granted loans to companies, firms, Limited Liability Partnership and other parties, during the year.
 - a. In our opinion and according to the information and explanations given to us, the company has not provided any loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, during the year. Hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.
 - b. According to the information and explanations given to us, in our opinion the investments made are not prejudicial to the company's interest.
 - c. As on March 31, 2024 the company has no loan receivable. Accordingly, reporting in respect of schedule of repayment of principal and payment of interest is not applicable.
 - d. As on March 31, 2024 the company has no loan receivable. Accordingly, reporting in respect of overdue amounts is not applicable.
 - e. As on March 31, 2024 the company has no loan receivable. Accordingly, reporting in respect of renewal or extension of loan amount is not applicable.
 - f. As on March 31, 2024 the company has no loan receivable. Accordingly, reporting in respect of loans either repayable on demand or without specifying any terms or period of repayment is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186(1) of the Companies Act 2013 in respect to making investments as applicable. Further, as the Company is a Non-Banking Finance Company engaged in the business of financing, the provision of section 186 (except for subsection (1)) are not applicable to the Company.
- v. The Company has not accepted any deposits from public during the year. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii.

- a. In our opinion the company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities.

No undisputed amounts payable in respect of income-tax, provident fund, employees' state insurance, duty of customs, goods and services tax, professional tax, cess and other material statutory dues were in arrears as at March 31, 2024, for a period of more than six months.

- b. There are no dues outstanding with respect to, income tax, sales tax, services tax, value added tax, GST, customs duty, excise duty on account of any dispute, except:

Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18,62,870	AY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	61,22,030*	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,84,27,940*	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,91,920	AY 2018-19	Assessing Officer

*Net of taxes paid

- viii. There are no transactions relating to unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix.

- a. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks, financial institutions, government or dues to debenture holders during the year.
- b. The company is not declared a wilful defaulter by any bank or financial institution or other lenders.
- c. The company has prima facie utilised the moneys raised by way of debt instruments and inter corporate deposits during the year for the purpose for which the loans were obtained.
- d. On and overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate company.

- f. According to the information and explanations given to us and procedures performed by us, we report that the company has raised loans during the year on the pledge of securities held in its subsidiary and associate companies as per details below. Further, the company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of lender	Gross Amount of loan	Name of the subsidiary / associate, Relationship, Details of security pledged	Remark
Market Linked Debentures	Various	Rs.9,862 lakh	<u>Centrum Wealth Limited</u> Associate Company 31,80,000 equity shares of FV of Rs. 10 each costing Rs. 16,900 lakh	Nil
Non-Convertible Debentures	Various	Rs. 14,911 lakh	<u>Unity Small Finance Bank Limited</u> Subsidiary Company 35,95,00,000 equity shares of FV of Rs. 10 each costing Rs. 35,950 lakh Kindly refer Note No. 5 and Note No. 10 of the IND AS Financial Statements	Nil

- x.
- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
 - The company has made private placement of both shares and debentures during the year. To the best of our knowledge, the requirements of section 42 and section 62 of the companies act, 2013 have been complied with and the funds raised have been used for the purpose for which the funds were raised.
- xi.
- Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - Based on the representation received by the management of the company, no whistle blower complaint has been received by the Company during the year. Hence reporting under this clause is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given by the management and on the basis of relevant records and representation, the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the IND-AS financial statements, as required by the applicable accounting standards.

xiv.

- a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

xvi.

- a. The company is required to register under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained by the Company.
- b. The company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. According to the information and explanation given to us, we report that the Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and continues to fulfil the criteria of a CIC.
- d. According to the information and explanations given to us by the management of the Company, the Group has only one CIC.

xvii. The company has incurred cash loss of Rs. 2,489.18 lakhs and Rs. 100.20 lakhs in the financial year and the preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. The management of the company has represented that in the event of necessity, its holding company will provide funds to meet its obligations. We further state that our reporting is based on the representation from the management and facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

Annexure B referred to in the Independent Auditors Report

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

We have audited the internal financial controls with reference to IND AS financial statements of Centrum Financial Services Limited (“the Company”) as of March 31, 2024 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 with reference to the IND AS financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Ind AS financial statements

A company’s internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these Ind AS 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 authorizations of management and directors of the company;
- and

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Ind AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Narottam Shah
Partner
Membership Number: 106355
UDIN: 24106355BKGFFZ9008

Date: May 06, 2024
Place: Mumbai

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(₹ in lakh)

Sr. No	Particulars	Quarter Ended			Year Ended	
		31-03-2024 Audited*	31-12-2023 Unaudited*	31-03-2023 Audited*	31-03-2024 Audited	31-03-2023 Audited
(1)	Interest Income	2.72	0.06	-	2.83	-
	Other income	-	-	-	-	779.14
(2)	Total income	2.72	0.06	-	2.83	779.14
(3)	Expenses					
(a)	Finance costs	696.68	584.39	212.69	2,400.59	812.24
(b)	Employee benefits expenses	6.00	6.50	5.02	24.51	8.56
(c)	Other expenses	40.35	6.70	30.10	66.91	58.54
	Total expenses (a)+(b)+(c)	743.03	597.59	247.81	2,492.01	879.34
(4)	Profit/(loss) before exceptional items and tax (2) - (3)	(740.31)	(597.53)	(247.81)	(2,489.18)	(100.20)
(5)	Exceptional Items	-	-	-	-	-
(6)	Profit/(loss) before tax (4) - (5)	(740.31)	(597.53)	(247.81)	(2,489.18)	(100.20)
(7)	Income tax expense:					
(a)	- Current tax	-	-	-	-	-
(b)	- Deferred tax	-	-	-	-	-
(c)	- Excess short of earlier Years	-	-	-	-	-
	Total tax expense (a)+(b)	-	-	-	-	-
(8)	Profit/(loss) for the period from Continuing Operations(6) - (7)	(740.31)	(597.53)	(247.81)	(2,489.18)	(100.20)
(9)	Profit before tax for the year from Discontinued Operations	-	-	-	-	-
(10)	Tax expense/ (credit) of Discontinued Operations					
(a)	- Current tax	-	-	-	-	-
(b)	- Deferred tax	-	-	-	-	-
(c)	- (Excess)/Short provision of earlier years	-	-	-	-	-
	Total tax expense/ (credit) of Discontinued Operations (a)+(b)+(c)	-	-	-	-	-
(11)	Net Profit for the year from Discontinued Operations (9)-(10)	-	-	-	-	-
(12)	Net Profit/ (Loss) for the year (8)+(11)	(740.31)	(597.53)	(247.81)	(2,489.18)	(100.20)
(13)	Other Comprehensive Income/ (expenses) - Continuing Operations					
(a)	- Items that will not be reclassified to profit or loss	-	-	-	-	-
(b)	- Items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income/ (expenses) - Continuing Operations (a) + (b)	-	-	-	-	-
(14)	Other Comprehensive Income/ (expenses) - Discontinued Operations					
(a)	Items that will not be reclassified to profit or loss					
	- Remeasurements of post-employment benefit obligations	-	-	-	-	-
	- Income tax relating to these items	-	-	-	-	-
(b)	Items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income/ (expenses) - Discontinued Operations (a)+(b)	-	-	-	-	-
(15)	Total comprehensive income for the year (12) + (13) + (14)	(740.31)	(597.53)	(247.81)	(2,489.18)	(100.20)
(16)	Earnings per equity share (Not annualised)					
	Face value of ₹10 per share					
	- Basic (₹)	(0.71)	(0.57)	(0.25)	(2.39)	(0.10)
	- Diluted (₹)*	(0.71)	(0.57)	(0.25)	(2.39)	(0.10)

Notes

1. The above financial results of Centrum Financial Services Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 6, 2024.

2. These Ind-AS financial results have been prepared for the purposes of preparation of the Consolidated Financial Results by Centrum Capital Limited ("the Holding Company").

3. * The figures for the quarter ended March 31, 2024 and March 31, 2023 are the balancing figures between the audited figures in respect of the year ended March 31, 2024 and March 31, 2023 and the reviewed figures for the quarter ended December 31, 2022 published respectively.

The financial results for the quarter and year ended had been prepared for the purpose of preparation of consolidated financial results by Centrum Capital Limited (Holding Company).

4. The Company was primarily engaged in the business of financing. The Company sold its lending business to Unity Small Finance Bank Limited by way of a slump sale pursuant to the Business Transfer Agreement entered into on 26th October 2021. Therefore, there are no separate reportable segments identified as per Ind AS 108 Segment Reporting.

5. The above IND AS financial results for the year ended 31st March, 2024 and for the year ended 31st March, 2023 have been audited by the statutory auditor, M/s Shah & Taparia Co., Chartered Accountants.

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

Mumbai
Date : May 6, 2024

Abhishek Baxi
Chief Financial Officer

Centrum Financial Services Limited**Balance Sheet as at March 31, 2024**

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	135.42	80.27
(b) Bank balances other than cash and cash equivalents	4	3,127.20	2,758.32
(c) Investments	5	53,616.04	47,090.00
(d) Other financial assets	6	0.28	0.04
		<u>56,878.94</u>	<u>49,928.63</u>
(II) Non Financial Assets			
(a) Other non financial assets	7	747.03	32.58
		<u>747.03</u>	<u>32.58</u>
Total Assets		<u><u>57,625.97</u></u>	<u><u>49,961.21</u></u>
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Derivative financial instruments	8	3,896.94	-
(b) Payables	9		
i) Trade payables			
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		12.24	29.05
ii) Other payables			
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	10	21,345.67	1,509.14
(d) Borrowings (other than debt securities)		-	-
(d) Inter Corporate Deposits	11	500.00	15,975.00
Subordinated Liabilities		-	-
(e) Other financial liabilities	12	3,127.20	2,758.32
		<u>28,882.05</u>	<u>20,271.51</u>
(II) Non-Financial Liabilities			
(a) Other non-financial liabilities	13	65.38	31.12
		<u>65.38</u>	<u>31.12</u>
EQUITY			
(a) Equity share capital	14	10,402.46	9,895.69
(b) Other equity	15	18,276.08	19,762.89
		<u>28,678.54</u>	<u>29,658.58</u>
Total Liabilities and Equity		<u><u>57,625.97</u></u>	<u><u>49,961.21</u></u>

See accompanying notes form an integral part of the Financial Statements.

1 & 2

As per our report of even date

For **SHAH & TAPARIA**

Chartered Accountants

ICAI Firm Registration No.109463W

Narottam Shah

Partner

Membership No.106355

Mumbai

Date : May 6, 2024

For and on behalf of the Board of Directors of
Centrum Financial Services Limited**Rishad Byramjee**

Executive Director

DIN : 00164123

Ranjan Ghosh

Non - Executive Director

DIN : 07592235

Abhishek Baxi

Chief Financial Officer

Archana Goyal

Company Secretary

Centrum Financial Services Limited
Statement of Profit and loss for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
(I) Revenue from Operation			
(a) Interest income	16	2.83	-
(II) Other income	17	-	779.14
(III) Total Income (I + II)		<u>2.83</u>	<u>779.14</u>
(IV) Expenses			
(a) Finance costs	18	2,400.59	812.24
(b) Impairment on financial instruments	19	0.26	-
(c) Employee benefits expenses	20	24.51	8.56
(d) Others expenses	21	66.65	58.54
Total expenses (IV)		<u>2,492.01</u>	<u>879.34</u>
(V) Profit before tax for the year (III- IV)		<u>(2,489.18)</u>	<u>(100.20)</u>
(VI) Tax Expense :			
(a) Current tax		-	-
(b) Short / (excess) provision for earlier years		-	-
(c) Deferred tax		-	-
(VII) Profit after tax for the period (V - VI)		<u>(2,489.18)</u>	<u>(100.20)</u>
(VIII) Other Comprehensive Income			
(a) (I) Items that will not be reclassified to profit or loss			
(II) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total		-	-
(b) (I) Items that will be reclassified to profit or loss		-	-
(II) Income tax relating to items that will be reclassified to profit or loss		-	-
Total (b)		-	-
(IX) Total Comprehensive Income for the year		<u>(2,489.18)</u>	<u>(100.20)</u>
(X) Paid-up equity share capital (face value Rs. 10 each)		10,402.46	9,895.69
(XI) Earnings per equity share in Rupees (Face value Rs. 10 each)			
Basic	22	(2.39)	(0.10)
Diluted	22	(2.39)	(0.10)

See accompanying notes form an integral part of the Financial Statements.

1 & 2

For SHAH & TAPARIA
Chartered Accountants
ICAI Firm Registration No.109463W

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

Narottam Shah
Partner
MembershipNo.106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

Mumbai
Date : May 6, 2024

Centrum Financial Services Limited
Statement of Cash flows for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flow from operating activities		
Profit / (Loss) before tax	(2,489.18)	(100.20)
<i>Adjustments for</i>		
Interest income	0.06	-
Finance cost	2,400.59	812.24
Profit on sale of share warrant	-	(750.00)
Cash inflow from interest on loans	(0.06)	-
Cash outflow towards finance costs	(2,400.59)	(812.24)
Operating cash flow before working capital changes	(2,489.18)	(850.20)
<i>Add / (Less): Adjustments for working capital changes</i>		
Other financial assets	-	127.40
Other non financial assets	(714.45)	(32.17)
Other bank balances	(368.88)	(127.44)
Trade and other payables	(16.81)	(35.36)
Other financial liability	368.88	-
Non financial liabilities and provisions	34.26	4.73
Cash used in operations	(3,186.18)	(913.04)
Income taxes paid	(0.24)	-
Net cash used in operating activities -A	(3,186.42)	(913.04)
B Cash flow from investing activities		
Purchase of investments	(6,526.04)	(11,000.00)
Proceeds from sale of investments	-	800.00
Net cash generated from / (used in) investing activities - B	(6,526.04)	(10,200.00)
C Cash flow from financing activities		
Proceeds from issue of debt securities	25,242.61	
Proceeds from deposits & borrowings (other than debt securities)	(15,475.00)	16,598.00
Repayment of deposits & borrowings (other than debt securities)		(5,492.00)
Net cash generated from financing activities - C	9,767.61	11,106.00
Net increase / (decrease) in cash and cash equivalents (A+B+C)	55.15	(7.04)
Cash and cash equivalent as at the beginning of the year	80.27	87.31
Less : Balance transferred through slump sale		
Cash and cash equivalent as at the end of the year	135.42	80.27

Centrum Financial Services Limited
Statement of Cash flows for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Notes:		
i) <u>Components of Cash and Cash Equivalents included above</u>		
Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents (refer note 3)	135.42	80.27
Less: Bank overdraft	-	
Total	135.42	80.27

ii) Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

See accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For SHAH & TAPARIA
Chartered Accountants
ICAI Firm Registration No.109463W

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

Narottam Shah
Partner
Membership No 106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Date : May 6, 2024
Mumbai

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

Centrum Financial Services Limited
Statement of changes in Equity as at March 31, 2024

(Currency : Indian Rupees in lakhs)

A. Equity Share Capital

As at 31 March 2024

Particulars	Number of shares	Amount
As at April 01, 2023	9,89,56,942	9,895.69
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance As at 1st April, 2023	9,89,56,942	9,895.69
Changes in equity share capital during the current year	50,67,703	506.77
Balance As at 31st March, 2024	10,40,24,645	10,402.46

As at 31 March 2023

Particulars	Number of shares	Amount
As at April 01, 2022	9,89,56,942	9,895.69
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance As at 1st April, 2022	9,89,56,942	9,895.69
Changes in equity share capital during the current year	-	-
Balance As at 31st March, 2023	9,89,56,942	9,895.69

B. Other Equity

Particulars	Other Equity						Total Other Equity
	Securities premium	Statutory reserve	Employee stock options	Impairment Reserve	Retained Earnings	Capital contribution	
Balance at April 1, 2022	18,639.96	502.99	-	-	25.54	694.60	19,863.09
Profit for the year	-	-	-	-	(100.20)	-	(100.20)
Other comprehensive income for the year	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-
Capital Contribution during the year	-	-	-	-	-	-	-
Balance at March 31, 2023	18,639.96	502.99	-	-	(74.66)	694.60	19,762.89
Profit for the year	-	-	-	-	(2,489.18)	-	(2,489.18)
Other comprehensive income for the year	-	-	-	-	-	-	-
Issue of equity shares #	1,002.37	-	-	-	-	-	1,002.37
Capital Contribution during the year	-	-	-	-	42.73	(42.73)	-
Balance at March 31, 2024	19,642.33	502.99	-	-	(2,521.11)	651.87	18,276.08

During the period CCD Issued to Centrum Capital Limited were converted into 50,67,703 Equity on June 14, 2023 as per Terms at a conversion price of Rs 29.78/- per share. (Face value Rs. 10 per share at a premium of Rs. 19.78 per share). The resultant premium of Rs. 1002.37 lakh has been reflected as securities premium above.

See accompanying notes form an integral part of the Financial Statements.

For SHAH & TAPARIA
Chartered Accountants
ICAI Firm Registration No.109463W

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

Narottam Shah
Partner
Membership No 106355

Rishad Byramjee
Executive Director
DIN : 00164123

Ranjan Ghosh
Non - Executive Director
DIN : 07592235

Mumbai
Date : May 6, 2024

Abhishek Baxi
Chief Financial Officer

Archana Goyal
Company Secretary

Centrum Financial Services Limited**Notes to the financial statements as at and for the year ended March 31, 2024**

(Currency : Indian Rupees in lakhs)

1. Background

Centrum Financial Services Limited (the 'Company') is a Company domiciled in India and incorporated on 27 January 1993 under the provisions of the Companies Act, 1956. Consequent to the request for conversion, RBI has cancelled the earlier COR & has issued a new COR dated 9th September 2022 permitting the company to carry on the business Non-Deposit taking systematically Important Core Investment Company(CIC ND-SI).

The Company is registered with Ministry of Corporate Affairs (MCA) having Corporate Identification number (CIN) - U65910MH1993PLC192085.

The registered office is situated at Centrum House, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Vidyanagari, Mumbai, Maharashtra, India, 400098

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 06, 2024.

2.1 Material accounting policies**2.1.a Statement of compliance with Indian Accounting Standards (Ind As)**

The financial statements of the Company have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment. Any application guidance/clarifications/directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.1.b Basis of preparation

The financial statements have been prepared on the historical cost basis except for the certain financial instruments which have been measured at fair value, assets held for sale measured at fair value less cost to sell, net defined benefit liability/assets and share based payments.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

2.1.c Presentation of financial statements

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

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to nearest Rupee as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

2.1.d Impairment of non-financial assets

As at the end of each accounting year, the Company reviews the carrying amounts of its non financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the non financial assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognized in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

Centrum Financial Services Limited**Notes to the financial statements as at and for the year ended March 31, 2024**

(Currency : Indian Rupees in lakhs)

2.1.e Revenue recognition***Interest income***

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

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

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

Income from bill discounting is recognised over the tenure of the instrument so as to provide a constant periodic rate of return.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. It is probable that the economic benefits associated with the dividend will flow to the entity. Amount of dividend can be measured reliably.

Syndication fees

Syndication fees is accounted over the period as customer simultaneously receives and consumes the benefits, as the performance obligations are completed based on achievement of milestones as per the mandates/agreement with the clients or terms confirmed and agreed by the client.

Fees and commission income

Fees such as consultancy fees, referral fees and commission income include fees other than those that are an integral part of EIR and are recognised on accrual basis based on contractual terms. Processing fees earned on Supply Chain Finance Business is recognised on accrual basis and does not form part of EIR as it being short term in nature.

Rental income

Rental income is recognized over a period of time as and when accrued as per the terms of the contract.

Net Gain/Loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 25), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date the Company does not have any financial instruments measured at FVTPL and debt instruments measured at FVOCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

Other income and expenses

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

2.1.f 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.

Initial recognition and measurement

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

At initial recognition, the Company measures a financial asset (other than trade receivables) or financial liability at its fair value plus or minus, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability (other than financial asset or financial liability carried at fair value through profit or loss). Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Financial assets

Classification and subsequent measurement

Financial assets are classified into three categories:

- fair value through profit or loss (FVTPL);
- fair value through Other comprehensive income (FVOCI); or
- amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms including contractual cash flows.

For debt instruments, classification will depend on the business model in which the debt is held.

For equity instruments, classification 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.

The classification requirements of financial assets are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective.

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

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

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortised cost: Financial assets that are held for collection of contractual cash flows where business model of those cash flows represents solely payment of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets are recognised using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Financial assets are measured at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the financial asset meet the SPPI test.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income (OCI). Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified to Statement of profit and loss account.

Fair value through profit or loss (FVTPL): Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Financial assets designated at FVTPL are carried in the Balance sheet at fair value with net changes in fair value presented as other (gains)/losses in Statement of profit or loss. Interest income on financial assets classified as FVTPL is not recognised in net gain/(loss) on fair value changes and is recognised separately as interest income.

Equity instruments

Equity instruments is a contract that evidences residual interest in the assets of the Company after deducting all its liabilities. The Company subsequently measures all equity investments under the scope of Ind AS 109 at fair value. Changes in the fair value of these instruments are recognized in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI, loans and advances and on exposure arising from loan commitments. The Company recognizes a loss allowance for such losses at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 45B (Risk Management).

Write-off policy

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

Financial liabilities

Classification and subsequent measurement

Financial liabilities are classified at amortised cost, except for financial liabilities at fair value through profit or loss: This classification is applied to derivatives and financial liabilities held for trading and other financial liabilities designated as such at initial recognition.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

Reclassification of financial instrument

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

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

Derivatives

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently measured at fair value.

Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

- their economic characteristics and risks are not closely related to those of the host contract;
- a separate instrument with the same terms would meet the definition of a derivative;

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

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

Certain market linked non-convertible debentures (MLDs) issued by the Company have returns linked to non- interest related benchmarks. Embedded derivative component of such debentures are separately accounted for at fair value and host contract. The Company hedges the risk of variable payout by taking positions in futures & options of Nifty 50 Index. Further, the fair valuation of the MLDs for initial recognition of embedded derivatives and borrowings components as at the date of issue is done considering adjustment to the put/call contracts of Nifty 50 Index, thereby arriving at cost of borrowings. Any gain/loss on these hedge positions are netted against with interest expenses on MLD and resultant net loss/gain is recognised in Statement of Profit & Loss after considering the mark to market position of the options at the balance sheet date.

Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

Financial guarantees

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

The premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

2.1.g Fair value measurement

The Company measures financial instruments, such as investments and derivatives at fair values 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:

- a) In the principal market for the asset or liability, or
- b) 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.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

2.1.h Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, short-term deposits and highly liquid investments with an original maturity of three months or less, which are readily convertible in cash and subject to insignificant risk of change in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.1.i Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method. Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.1.j Retirement and other employee benefits

Defined Contribution Plan

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

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

2.1.k Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based in accordance with the Income Tax Act, 1961 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance Sheet 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 assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other 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 each Balance Sheet date 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 assets and liabilities 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 Balance Sheet date. 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 reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.1.l Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Contingent assets are neither recognized nor disclosed in the Financial Statements.

2.1.m Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.1.n Employee stock option scheme (ESOP)

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Company are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Employee Stock Options reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a vesting period, and hence the fair value of each instalment differs. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

2.2 Significant accounting judgments, estimates and assumptions

2.2.a The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures including 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.

2.2.b Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, estimates and assumptions, which have significant effect on the amounts recognised in the financial statements:

• **Fair value measurement of financial instruments**

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. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgments about these factors could affect the reported fair value of financial instruments. For further details about determination of fair value refer note 42A.

• **Impairment of financial assets using the expected credit loss method**

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and loss given defaults. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period. For further details about assumptions used in calculating expected credit losses and the sensitivity of assumptions refer note 42B.

• **Business model assessment**

Classification and measurement of financial assets depends on the results of the Solely for payment of principal and interest (SPPI) test and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgment used by the Company in determining the business model including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

• **Income taxes**

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. For further details refer note 28.

• **Provisions and contingencies**

Provisions and contingencies are recognized when they become probable and when there will be a future outflow of funds resulting from past operations or events and the outflow of resources can be reliably estimated. The timing of recognition and quantification of the provision and liability requires the application of judgement to existing facts and circumstances, which are subject to change.

• **Employee stock option scheme (ESOP)**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.2.c Assumptions and estimates

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

• **Retirement and other employee benefits**

The cost of the gratuity and long-term employee benefits and the present value of its obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the future salary increases, attrition rate, mortality rates and discount rate. Due to the complexities involved in the valuation and its long-term nature, the obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Future salary increases are based on expected future inflation rates for India. The attrition rate represents the Company's expected experience of employee turnover. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

Further details about gratuity and long term employee benefits obligations are provided in note 40.

• **Effective interest rate**

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

2.3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Centrum Financial Services Limited**Notes to the financial statements as at and for the year ended March 31, 2024**

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
3. Cash and cash equivalents		
a) Cash on hand	-	-
b) Balances with Banks	-	-
i) in current accounts	5.65	80.27
ii) in Fixed deposit accounts with maturity < 3 months	130.03	-
c) Cheques, drafts on hand	-	-
Less: Impairment Loss allowance for Bank balances(maturity < 3 months)	0.26	-
Total	135.42	80.27

Note: Fixed deposits and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.
Company has applied probability of default of 0.31% pursuant to UNITY Bank current rating status for computation of impairment loss allowance

4. Bank balances other than cash and cash equivalents

Other Bank balances

a) In fixed deposit accounts		
i) Fixed deposit accounts with maturity more than 3 months	-	-
ii) Fixed deposits pledged for PTC securitization	-	-
Others	-	-
ii) Fixed deposits pledged for Bank overdraft Facility	-	-
a) Earmarked balance held with bank's	*	3,127.20
c) Not available for immediate use	-	2,758.32
	3,127.20	2,758.32
Less: Impairment allowance on Fixed deposits	-	-
Total	3,127.20	2,758.32

*Earmarked balance held with bank includes Cash & Bank Balances maintained on behalf of UNITY Small Finance Bank Ltd

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
5. Investments		
I Equity Investments in "Subsidiary Company	36,716.04	36,090.00
II Equity Investments in "Associate Company	16,900.00	11,000.00
	<u>53,616.04</u>	<u>47,090.00</u>
III (Less): Impairment loss allowance	-	-
	<u>53,616.04</u>	<u>47,090.00</u>
I Investments at Cost		
A. Investment in Subsidiary Company, unquoted		
i) 35,95,00,000 equity shares of Rs. 10 each fully paid of Unity Small Finance Bank Limited	35,950.00	35,950.00
48,83,289 equity shares of Rs. 10.26 each fully paid of IGNIS Capital Advisors Limited	501.04	-
12,50,000 equity shares of Rs. 10 each fully paid of Centrum Finverse Limited	125.00	-
(A)	<u>36,576.04</u>	<u>35,950.00</u>
B. Investment in Share Warrants		
i) 140 Crore share Warrant issued of Rs 0.01 paise each (Previous year 190 Crore share warrant of RS 0.01 paise each)	140.00	140.00
(B)	<u>140.00</u>	<u>140.00</u>
I = (A + B)	<u>36,716.04</u>	<u>36,090.00</u>
II Investment in Associate Company, unquoted		
31,80,000 equity shares of Rs. 10 each fully paid of Centrum wealth Limited	16,900.00	11,000.00
	<u>16,900.00</u>	<u>11,000.00</u>
III (Less) : Impairment loss allowance	-	-
Total Gross Investments (I + II - III)	<u>53,616.04</u>	<u>47,090.00</u>
	-	-
	-	-
Of the Above		
a) Investments outside India	-	-
b) Investment in India	53,616.04	47,090.00
Total Gross	<u>53,616.04</u>	<u>47,090.00</u>
(Less): Impairment loss allowance	-	-
Total Net	<u>53,616.04</u>	<u>47,090.00</u>
6. Other financial assets		
Unsecured Considered good at amortised cost		
a) TDS Receivable	0.28	0.04
Total	<u>0.28</u>	<u>0.04</u>
7. Other non financial assets		
a) Prepaid expenses	641.00	19.89
b) Advance for expenses	0.20	8.78
c) Balances with statutory authorities	105.83	3.91
Total	<u>747.03</u>	<u>32.58</u>

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

8. Derivative financial instruments

The Company issues market linked debentures (MLD) which has a component in the nature of "Embedded derivatives- Market linked derivatives". Further to hedge it enters into options which is in the nature of "Index linked derivatives- options". Derivatives are entered for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets & Liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk .

Particulars	As at March 31, 2024							
	Unit	Currency	Notional	Fair value asset	Unit	Currency	Notional	Fair value liability
(i) Interest rate derivatives								
Interest rate swaps	-	-	-	-	-	-	-	-
Subtotal(i)	-	-	-	-	-	-	-	-
(ii) Equity linked derivatives	-	-	-	-	-	-	-	-
Subtotal(ii)	-	-	-	-	-	-	-	-
(iii) Index linked derivatives								
Subtotal(iii)	-	-	-	-	-	-	-	-
(iv) Embedded derivatives	-	-	-	-	-	-	-	-
In market linked debentures	-	-	-	-	-	-	-	3,896.94
Subtotal(iv)	-	-	-	-	-	-	-	3,896.94
Total derivative financial instruments	-	Total	-	-	-	Total	-	3,896.94

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
9. Trade payables		
a) Micro and small enterprises (Refer note below)	-	-
b) Due to related parties (Refer note : 26)	-	-
c) Due to others	12.24	29.05
Total	12.24	29.05

Note:

The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. For disclosure pertaining to Micro and Small Enterprises refer note No.26

As at March 31, 2024	Less than 1 year	1 to 3 years	More than 3 years	Total
Due to				-
i) to Micro and small enterprises	-	-		-
ii) to Others				-
a) Related parties	-	-		-
b) Others	12.24	-		12.24
iii) Disputed dues to	-	-		-
iv) Disputed dues (Others)	-	-		-
Total	12.24	-	-	12.24

As at March 31, 2023	Less than 1 year	1 to 3 years	More than 3 years	Total
Due to				-
i) to Micro and small enterprises	-	-		-
ii) to Others				-
a) Related parties	-	-		-
b) Others	29.05	-		29.05
iii) Disputed dues to	-	-		-
iv) Disputed dues (Others)	-	-		-
Total	29.05	-	-	29.05

Particulars	As at March 31, 2024	As at March 31, 2023
10. Debt securities		
10.1 At amortised cost		
A. Secured		
a) Secured Non Convertible Market Linked Debentures - privately placed	5,882.18	-
a) Secured Non Convertible Debentures - privately placed	15,463.49	-
(A)	21,345.67	-
B. Unsecured		
a) Compulsorily Convertible Debentures - privately placed	-	1,509.14
(B)	-	1,509.14
Total (A + B)	21,345.67	1,509.14
Of the Above		
i) Debt securities in India	21,345.67	1,509.14
ii) Debt securities outside India	-	-
Total	21,345.67	1,509.14

10.2 Terms of Compulsory Convertible Debentures (CCD)

i) The above CCD's are unrated unlisted unsecured debentures carrying 10% coupon rate to be paid annually over the tenure of 5 years.

ii) Conversion Event:

The earlier of:

a) Expiry of the tenor (i.e. 14th Jun 2023) of Compulsorily Convertible Debentures; or

b) At the option of the holder of the Compulsorily Convertible Debentures by issuing a notice of 7(seven) working days to the Company.

iii) During the period CCD Issued to Centrum Capital Limited converted into Equity on June 14, 2023 as per Terms at conversion price of Rs 29.78/- per share and resulted into issuance of 50,67,703 Equity Shares towards conversion

iii) **Terms of Repayment**

Compulsorily Convertible Debentures - privately placed

Repayment Details	Rate of Interest	As at March 31, 2024	As at March 31, 2023
More than 12 months	<= 12%	-	-
Upto 12 months		-	1,509.14
		-	1,509.14

Centrum Financial Services Limited

Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

10 Debt securities - (Continued)

10.3 A Terms of repayment of MLD as on March 31, 2024

ISIN	Quoted / Unquoted	As at March 31, 2024	Current	Non-Current	Issue Date	Date of Maturity
INE244R07AZ4	Un-Quoted	482.00	-	482.00	16-Feb-24	24-Aug-27
INE244R07AG4	Un-Quoted	515.00	-	515.00	14-Jul-23	19-Jan-27
INE244R07AH2	Un-Quoted	1,798.57	-	1,798.57	28-Jul-23	02-Feb-27
INE244R07AK6	Un-Quoted	235.00	-	235.00	20-Sep-23	28-Mar-27
INE244R07AM2	Un-Quoted	642.67	-	642.67	06-Oct-23	13-Apr-27
INE244R07AO8	Un-Quoted	1,709.24	-	1,709.24	10-Nov-23	18-May-27
INE244R07AS9	Un-Quoted	906.00	-	906.00	15-Dec-23	22-Jun-27
INE244R07AV3	Un-Quoted	986.73	-	986.73	19-Jan-24	27-Jul-27
INE244R07AW1	Un-Quoted	989.26	-	989.26	31-Jan-24	30-Apr-26
INE244R07BA5	Un-Quoted	1,597.91	-	1,597.91	07-Mar-24	13-Sep-27
Total		9,862.37	-	9,862.37		
Add: EIR adjustment		(4,316.80)				
Add: Interest accrued		336.61				
Total		5,882.18				

Note:

- The above mentioned debentures are secured, unlisted, un-rated, non-convertible, principal protected, market linked debentures carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained.
- The Company had raised Rs. 9,862.37 Lakh (Previous Year Rs. NIL Lakh) secured, redeemable, non-cumulative, unlisted, unrated, non-convertible, principal protected Market Linked Debentures bearing a face value of Rs. 100,000 each by way of private placement.

10.4 A Terms of repayment of NCD as on March 31, 2024

ISIN	Quoted / Unquoted	As at March 31, 2024	Current	Non-Current	Issue Date	Date of Maturity
INE244R07AF6	Unquoted	2,285.00	-	2,285.00	07-Jul-23	12-Jan-27
INE244R07AI0	Unquoted	855.00	-	855.00	14-Sep-23	22-Mar-27
INE244R07AJ8	Unquoted	952.00	-	952.00	08-Sep-23	16-Mar-27
INE244R07AL4	Unquoted	839.00	-	839.00	28-Sep-23	05-Apr-27
INE244R07AN0	Unquoted	206.00	-	206.00	18-Oct-23	25-Apr-27
INE244R07AP5	Unquoted	1,261.00	-	1,261.00	17-Nov-23	25-May-27
INE244R07AQ3	Unquoted	1,500.00	1,500.00	-	24-Nov-23	06-Feb-25
INE244R07AR1	Unquoted	170.00	-	170.00	08-Dec-23	15-Jun-27
INE244R07AT7	Unquoted	618.00	-	618.00	22-Dec-23	29-Jun-27
INE244R07AU5	Unquoted	1,682.00	-	1,682.00	12-Jan-24	13-Jul-27
INE244R07AX9	Unquoted	600.00	-	600.00	03-Feb-24	18-Apr-25
INE244R07AY7	Unquoted	1,207.00	-	1,207.00	09-Feb-24	10-Aug-27
INE244R07BB3	Unquoted	2,736.00	-	2,736.00	15-Mar-24	14-Sep-27
Total		14,911.00	1,500.00	13,411.00		
Add: Interest accrued		552.49				
Total		15,463.49				

Note:

- The above mentioned debentures are secured, unlisted and listed, rated and unrated, non-convertible, principal protected, market linked debentures carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained.
- The Company had raised Rs. 14,911 Lakh (Previous Year Rs. NIL Lakhs) secured, redeemable, non-cumulative, unlisted, unrated, non-convertible Debentures bearing a face value of Rs. 100,000 each by way of private placement.

Centrum Financial Services Limited

Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

	As at March 31, 2024	As at March 31, 2023
11. Inter Corporate Deposits - At amortised cost		
From Others:		
Intercorporate deposits (unsecured) #	500.00	15,975.00
	<u>500.00</u>	<u>15,975.00</u>
# (Tenor: 360days @ 13%-14%)		
12. Other financial liabilities		
a) Other financial liabilities ^	3,127.20	2,758.32
	<u>3,127.20</u>	<u>2,758.32</u>
^ Other Financial Liabilities includes bank balances maintained on behalf of Unity Small finance Bank Limited		
13. Other non-financial liabilities		
a) Statutory dues payable	65.38	31.12
	<u>65.38</u>	<u>31.12</u>

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

14. Equity share capital

a) Share capital authorised, issued, subscribed and paid up

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity Shares of Rs. 10/each	15,00,00,000	15,000.00	15,00,00,000	15,000.00
	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Issued, Subscribed & paid up:				
Equity Shares of Rs. 10/each	10,40,24,645	10,402.46	9,89,56,942	9,895.69
	10,40,24,645	10,402.46	9,89,56,942	9,895.69

b) Reconciliations of the number of equity shares and share capital :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Issued, Subscribed & paid up:				
Outstanding at the beginning of the year	9,89,56,942	9,895.69	9,89,56,942	9,895.69
Add: Shares issued during the year	50,67,703	506.77	-	-
Outstanding at the end of the year	10,40,24,645	10,402.46	9,89,56,942	9,895.69

During the period CCD Issued to Centrum Capital Limited converted into Equity on June 14, 2023 as per Terms at conversion price of Rs 29.78/- per share and resulted into issuance of 50,67,703 Equity Shares towards conversion

c) Terms/rights attached to equity shares:

The Company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/proposed any dividend in the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per record of the Company, including its register of shareholder/members and other declaration received from shareholders regarding beneficial interest, the above share holding represents both legal and beneficial ownerships of shares.

d) Shareholder holding more than 5% of equity shares as at the end of the year :

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Holding	No. of shares	% Holding
Centrum Capital Limited, Holding Company*	10,40,22,139	99.9976%	9,89,56,942	100.00%

During the period CCD Issued to Centrum Capital Limited converted into Equity on June 14, 2023 as per Terms at conversion price of Rs 29.78/- per share and resulted into issuance of 50,67,703 Equity Shares towards conversion

e) Details of shares held by Promoters

Shares held by Promoters at the end of the year (Equity Shares in nos. of Rs. 100 each)

Promoters name	As at 31st March 2024		
	No of Shares	% holding of equity shares	% Change during the year
Fully paid Equity share Centrum Capital Limited	10,40,22,139	99.9976%	0.00%

Promoters name	As at 31st March 2023		
	No of Shares	% holding of equity shares	% Change during the year
Fully paid Equity share Centrum Capital Limited	9,89,56,942	100%	0%

Centrum Financial Services Limited
Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
15. Other equity		
a) Securities premium	19,642.33	18,639.96
b) Statutory reserve	502.99	502.99
c) Retained earnings	(2,521.11)	(74.66)
d) Impairment reserve	-	-
e) Capital contribution	651.87	694.60
f) Other comprehensive income	-	-
Total	18,276.08	19,762.89

A. Nature and purpose of reserves

a. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b. Statutory reserve

Reserve created under 45-IC(1) in The Reserve Bank of India Act, 1934 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

c. Employee stock options

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

d. Retained Earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

e. Capital contribution

Capital contribution represents the indirect equity contribution by the Parent.

B. Movement in Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
a) Securities premium		
Opening balance	18,639.96	18,639.96
Add : Premium Received on issue of securities	1,002.37	-
Closing Balance	(a) 19,642.33	18,639.96
b) Statutory reserve		
Opening balance	502.99	502.99
Add : Transfer from retained earnings	-	-
Closing Balance	(b) 502.99	502.99
c) Retained Earnings		
Opening balance	(74.66)	25.54
Add: Profit for the year	(2,489.18)	(100.20)
Add: Other comprehensive income	-	-
Transferred from impairment reserve**	42.73	-
Amount available for appropriation	(2,521.11)	(74.66)
Appropriations:		
Transfer to impairment reserve	-	-
Closing Balance	(c) (2,521.11)	(74.66)
d) Capital contribution		
Opening balance*	694.60	694.60
Add : Addition during the year	(42.73)	-
Closing Balance	(d) 651.87	694.60
(a+b+c+d+e)	18,276.08	19,762.89

*Pursuant to the memorandum of understanding entered into with Centrum Capital Limited ('CCL' or the 'holding company'), the holding company has provided interest subvention to the Company for interest on Market Linked Debentures amounting to Rs.588.68 Lakhs in FY 2018-19 same was routed through Profit and Loss Statement, however as per Ind AS it is considered as part of Capital Contribution

**During the period one of the erstwhile CFSL Employee has voluntarily surrendered the ESOPs granted under CCL ESOP Scheme 2018. The company has accordingly transferred the amount of Rs 42.73 Lakhs amount standing in Capital contribution towards ESOP outstanding reserve to retained earnings.

Centrum Financial Services Limited

Notes to the financial statements as at and for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
16. Interest income		
a) On Financial Assets measured at Amortised cost		
i) Interest Income on Loans	0.06	-
ii) Interest Income on deposits with Banks	2.77	-
Total	2.83	-
17. Other income		
a) Other income#	-	779.14
Total	-	779.14
# Other income includes Profit on the Sale of Share Warrants		
18. Finance costs		
On Financial liabilities measured at amortised cost		
a) Interest on Debt instruments	1,059.52	150.91
b) Interest on Inter corporate Deposits	1,332.18	660.29
c) Interest - Others	8.89	1.04
Total	2,400.59	812.24
19. Impairment on financial instruments		
Impairment Allowance (Refer note XX)		
i) On Financial instruments measured at amortised cost		
a) Loans	-	-
b) Investments	-	-
c) Fixed Deposits	0.26	-
Total	0.26	-
20. Employee benefits expenses		
a) Salaries, allowances and bonus	24.50	8.50
b) Contribution to provident fund & other funds	0.01	0.06
Total	24.51	8.56
21. Other expenses		
a) Auditor's fees and expenses (Refer note 20.1 below).	7.00	7.00
e) Director's sitting fees	9.16	9.48
h) Fees and subscription	13.35	1.63
i) Insurance charges	-	1.15
j) Legal and professional fees	33.84	36.45
l) Office expenses	0.54	0.25
n) Rates, duties and taxes	1.66	0.06
s) Travelling expenses	0.01	0.07
u) Other Expenditure	1.09	2.45
Total	66.65	58.54
21.1 Auditors Fees & Expenses		
As Auditor		
Statutory Audit Fees	7.00	7.00
Other Certification fees*	1.83	1.60
Total	8.83	8.60
*Legal & professional Fees includes other certifications fees		

Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

22 Earnings per equity share**(Face value of ₹ 10 per share)**

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit after tax available for equity shareholders for basic EPS (₹ in lakh)	(2,488.92)	(100.20)
Net profit after tax available for equity shareholders for diluted EPS (₹ in lakh)	(2,488.92)	(100.20)
Weighted average number of equity shares for basic EPS (Nos.in lakh)	1,040	990
Weighted average number of equity shares for diluted EPS (Nos.in lakh)	1,040	990
Basic earnings per share (₹)	(2.39)	(0.10)
Diluted earnings per share (₹)	(2.39)	(0.10)

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

23. Commitments and contingencies

Particulars	As at 31 March,	
	2024	2023
Contingent liabilities		
i) Corporate guarantee	-	-
ii) Income tax demands on account of dispute	267.05	283.77
iii) Intercorporate borrowings written back	164.34	164.34

Future cash outflows in respect of above are determinable only on receipt of judgements / decisions pending with various forums/authorities. It is not practicable for the Company to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

24. The Company did not have any long term contracts including derivative contracts for which any provision is required for the foreseeable losses.

25. Corporate Social Responsibility (CSR)

During the year ended March 31, 2024, the Bank is not required to contribute to Corporate Social Responsibility under section 135 of the Companies Act, 2013 (Previous Year : Nil)

26. Dues to Micro, Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. (Previous Year : Nil)

Disclosure pertaining to Micro and Small Enterprises as at March 31, 2024 is as under.

There is not any outstanding together with interest paid /payable to Micro and Small enterprises based on information available with the Company.

	As at 31 March,	
	2024	2023
i) Amounts outstanding but not due as at March 31,	-	-
ii) Amounts due but unpaid as at March 31,	-	-
iii) Amounts paid after appointed date during the year	-	-
iv) Amount of interest accrued and unpaid as at March 31,	-	-
v) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
vi) 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 the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

27. Segment Reporting

The Company's Chief financial officer (CFO) and Executive director have been identified as the Chief Operating Decision Maker, examine the Company's performance on an entity level. The Company has only one reportable segment i.e. business of financing. The Company does not have any reportable geographical segment. Thus, the segment revenue, segment results, total carrying value of segment assets and segment liabilities, total costs incurred to acquire segment assets, total amount of charge of depreciation during the period are all reflected in the financial statements. No single customer contributes more than 10% of the total revenue earned during the year.

Centrum Financial Services Limited**Notes to the financial statements for the year ended 31 March 2024**

(Currency : Indian Rupees in lakhs)

28. Fair Value Measurement**28.A Carrying value and fair value of financial instruments****28.A.1** The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows.

	At Amortised cost	At Fair value through Profit or Loss	At Fair value through OCI	Total carrying Value	Fair value Hierarchy
Financial Assets					
1 Cash and cash equivalents*	135.68	-	-	135.68	Level 3
2 Other Bank balances*	3,127.20	-	-	3,127.20	Level 3
3 Investments					Level 3
- Equity Shares	53,476.04	-	-	53,476.04	At Cost - Level 3
- Share Warrant	140.00	-	-	140.00	At Cost - Level 3
4 Other financial assets*					
- Others	0.28	-	-	0.28	Level 3
Total	56,879.20	-	-	56,879.20	
Financial Liabilities					
1) Derivative liabilities	-	3,896.94	-	3,896.94	Level 2
2) Trade payables*	12.24	-	-	12.24	Level 3
3) Debt securities (Unquoted)**					
- Market Linked Debentures	-	5,882.18	-	5,882.18	Level 2
- Non Convertible Debentures	15,463.49	-	-	15,463.49	Level 3
4) Inter Corporate Deposits	500.00	-	-	500.00	Level 3
5) Other financial liabilities*	3,127.20	-	-	3,127.20	Level 3
Total	19,102.93	9,779.12	-	28,882.05	

* For Cash & Cash equivalents, Other bank balances, Other financial assets, trade payables, and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate the fair value date to the short maturity of these instruments.

** including accrued interest

28.A.2 The carrying value and fair value of financial instruments by categories as at March 31, 2023 are as follows.

	At Amortised cost	At Fair value through Profit or Loss	At Fair value through OCI	Total carrying Value	Fair value Hierarchy
Financial Assets					
1) Cash and cash equivalents*	80.27	-	-	80.27	Level 3
2) Other Bank balances*	2,758.32	-	-	2,758.32	Level 3
3) Investments					Level 3
- Equity Shares	46,950.00	-	-	46,950.00	At Cost - Level 3
- Share Warrant	140.00	-	-	140.00	At Cost - Level 3
4) Other financial assets*					
- Others	0.04	-	-	0.04	Level 3
Total	49,928.63	-	-	49,928.63	
Financial Liabilities					
1) Trade payables*	29.05	-	-	29.05	Level 3
2) Debt securities (Unquoted)**	1,509.14	-	-	1,509.14	Level 3
3) Deposits	15,975.00	-	-	15,975.00	Level 3
4) Other financial liabilities*	2,758.32	-	-	2,758.32	Level 3
Total	20,271.51	-	-	20,271.51	

* For Cash & Cash equivalents, Other bank balances, Other financial assets, trade payables, and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate the fair value date to the short maturity of these instruments.

** including accrued interest

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024
(Currency : Indian Rupees in lakhs)

28. Fair Value Measurement (Continued)

28.B Fair value hierarchy of financial instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

There has been no transfers between level 1, level 2 and level 3 for the years ended March 31, 2024 and March 31, 2023

27.B.1 Financial instruments measured at fair value - recurring fair value measurements as at March 31, 2024 is as follows.

	Level 1	Level 2	Level 3	Total
Financial Liabilities				
1 Derivative liabilities	-	3,896.94	-	3,896.94
2 Debt securities (Unquoted)**				-
- Market Linked Debentures	-	5,882.18	-	5,882.18
Total	-	9,779.12	-	9,779.12

Note: Valuation methodologies of financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, other financial liabilities (excluding lease liability) and inter corporate deposits are considered to be approximately equal to their fair values due to their short term nature.

Derivative Financial Instruments and Debt securities are recorded at fair values by undertaking valuation techniques and thus, the carrying values are approximately equal to the fair values.

Investments in subsidiary and associate companies at value at cost in accordance with Ind AS 27 and are tested for impairment only if any indicator for impairment testing is identified in accordance with Ind AS 36

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on discounted cash flow models, as explained above, which incorporate the credit risk element through the discount factor.

Centrum Financial Services Limited**Notes to the financial statements for the year ended 31 March 2024**

(Currency : Indian Rupees in lakhs)

29. Maturity analysis of assets and liabilities

29.A The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. . With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
I Assets						
A. Financial assets						
a) Cash and cash equivalents	135.68	-	135.68	80.27	-	80.27
b) Other Bank balances	3,127.20	-	3,127.20	2,758.32	-	2,758.32
c) Investments	-	53,616.04	53,616.04	-	47,090.00	47,090.00
d) Other financial assets		0.28	0.28	0.04	-	0.04
B. Non-financial assets						
a) Other non-financial assets	205.27	541.76	747.03	28.67	3.91	32.58
Total Assets	3,468.15	54,158.07	57,626.23	2,867.30	47,093.91	49,961.21
II Liabilities						
A. Financial liabilities						
a) Derivative liabilities	-	3,896.94	3,896.94	-	-	-
b) Trade payables	12.24	-	12.24	29.05	-	29.05
c) Debt securities	1,500.00	19,845.67	21,345.67	1,509.14	-	1,509.14
d) Inter Corporate Deposits	500.00	-	500.00	15,975.00	-	15,975.00
e) Other financial liabilities	3,127.20	-	3,127.20	2,758.32	-	2,758.32
B. Non-financial Liabilities						
a) Other non-financial liabilities	65.38	-	65.38	31.12	-	31.12
Total Liabilities	5,204.82	23,742.61	28,947.43	20,302.63	-	20,302.63

Centrum Financial Services Limited**Notes to the financial statements for the year ended 31 March 2024**

(Currency : Indian Rupees in lakhs)

29. Risk Management**29.B.1** The Company's activities expose it to market risk, liquidity risk and credit risk.

Risk	Exposure arising from	Risk Measurement	Risk Management
Credit risk	Loans and advances, cash and cash equivalents, derivative financial instruments, financial assets measured at amortized cost.	Ageing analysis Credit ratings	Client on-boarding process, portfolio monitoring, recovery process. Fixed deposits with highly rated banks.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Committed borrowing and other credit facilities, assignment of loan assets (whenever required) ,Asset Liability Management and periodic reviews by ALCO relating to the liquidity position.
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security prices	Investment in Equity	Sensitivity analysis	Portfolio diversification, assessments of fluctuation in the equity price.
Market risk - Index linked	Market linked debentures.	Sensitivity analysis	Purchased options to hedge the risk arising out of movement in the NIFTY level.

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

29.B.2 a) Credit risk management

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract.

Credit risk arises from loans and advances, cash and cash equivalents, investments carried at amortized cost , deposits with banks and financial institutions and other financial assets measured at amortized cost.

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, and arises principally from the Company's receivables from customers and investments in debt securities.

i) Credit risk management

The Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. Such financial assets are considered under Stage 3 (credit impaired) for the purpose of ECL calculation. This definition of default is determined by considering the business environment in which the Company operates and other macro-economic factors.

ii) Provision for expected credit losses

The Company provides for expected credit loss based on following:

- a) Low risk : Risk associated with financial assets classified under Stage 1 for the purpose of ECL calculation.
- b) Medium risk : Risk associated with financial assets classified under Stage 2 for the purpose of ECL calculation
- c) High risk : Risk associated with financial assets classified under Stage 3 for the purpose of ECL calculation

Cash and cash equivalents

Cash and cash equivalents include balance of INR 135.68 Lakhs at March 31, 2024 (As at March 31, 2023: INR 80.27 Lakhs) is maintained as cash in hand and Balances with Company in current accounts.

Measurement of Expected Credit Losses

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

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

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

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

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

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

The Company considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Company considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

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

Probability of Default (PD)

The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12-month PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD)

LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at default (EAD)

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

Macroeconomic Scenarios

In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as IIP and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

iii) Reconciliation of loss allowance provision

For loans - NA

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

Write-offs still under enforcement

Financial assets are written-off when the Company has no reasonable prospects of recovering any further cash flows from the financial assets. In the case of assets that are assessed collectively for impairment. There has been no contractual amount outstanding on financial assets written-off during the year ended March 31, 2021 and still subject to enforcement activity.

Significant increase in credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on movement of borrowers between stages as defined, historical data of the borrowers and forward looking information. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties.

29.B.3 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. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

As at March 31

Particulars

2024

2023

Undrawn borrowing facilities

-

-

The below table analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

As at March 31, 2024

Particulars	Total	Contractual cash flows					
		Gross nominal inflow / (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Financial liabilities							
Derivative Financial Instruments	-	-	-	-	-	-	-
Payables	12.24	-	12.24	-	-	-	-
Debt securities	21,345.67	-	-	-	1,500.00	19,845.67	-
Deposits	500.00	-	500.00	-	-	-	-
Other financial liabilities	3,127.20	-	3,127.20	-	-	-	-
Total	24,985.11	-	3,639.44	-	1,500.00	19,845.67	-

Particulars	Total	Contractual cash flows					
		Gross nominal inflow / (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Financial assets							
Cash and cash equivalents	135.42	-	135.42	-	-	-	-
Bank balance other than cash and cash equivalents above	3,127.20	-	3,127.20	-	-	-	-
Derivative Financial Instruments	-	-	-	-	-	-	-
Trade Receivable	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Investments	53,616.04	-	-	-	-	-	53,616.04
Other Financial Assets	0.28	-	-	0.28	-	-	-
Total	56,878.94	-	3,262.62	0.28	-	-	53,616.05

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

As at March 31, 2023

Particulars	Total	Contractual cash flows					
		Gross nominal inflow / (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Financial liabilities							
Derivative Financial Instruments	-	-	-	-	-	-	-
Payables	29.05	-	29.05	-	-	-	-
Debt securities	1,509.14	-	1,509.14	-	-	-	-
Deposits	15,975.00	-	-	-	15,975.00	-	-
Other financial liabilities	2,758.32	-	2,758.32	-	-	-	-
Total	20,271.51	-	4,296.51	-	15,975.00	-	-

Particulars	Total	Contractual cash flows					
		Gross nominal inflow / (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Financial assets							
Cash and cash equivalents	80.27	-	80.27	-	-	-	-
Bank balance other than cash and cash equivalents above	2,758.32	-	2,758.32	-	-	-	-
Derivative Financial Instruments	-	-	-	-	-	-	-
Trade Receivable	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Investments	47,090.00	-	-	-	-	-	47,090.00
Other Financial Assets	0.04	-	-	0.04	-	-	-
Total	49,928.63	-	2,838.59	0.04	-	-	47,090.01

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

29.B.4 c. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Price risk

The Company's investments carry a risk of change in prices. To manage its price risk arising from investments, the Company periodically monitors the sectors it has invested in, performance of the investee companies, measures mark- to- market gains/losses and reviews the same.

ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company is not exposed to currency risk as at March 31, 2024 and March 31, 2023

iii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's 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.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows.

	As at March 31, 2024	As at March 31, 2023
Variable-rate instruments		
Borrowing	-	-

Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Profit or Loss/ Equity	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest rates – increase by 100 basis points (100 basis points)*	-	-
Interest rates – decrease by 100 basis points (100 basis points)*	-	-

* Holding all other variables constant

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

30. Capital Management

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

The pillars of its policy are as follows:

- a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- b) Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is preserved.
- c) Manage financial market risks arising from Interest rate, equity prices and minimise the impact of market volatility on earnings.
- d) Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board

Regulatory capital

As an CIC, the RBI requires us to maintain a minimum Adjusted Net Worth shall at no point of time be less than 30% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on 31 March 23 and as on 31 March 22. The capital management process of the Company ensures to maintain a healthy ANW at all the times.

The Company has complied with the notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by Reserve Bank of India.

Please refer note 39.6- "Adjusted Net Worth" additional disclosures related to RBI for the detail of the same

31. Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities for the year ended March 31, 2024

Particulars	As at March 31, 2023	Cash Flows (net)	Changes in Fair value	Others (net)	As at March 31, 2024
i) Debt securities	-	25,242.61	-	-	25,242.61
ii) Borrowings other than debt securities	-	-	-	-	-
iii) Deposits	15,975.00	(15,475.00)	-	-	500.00
Total	15,975.00	9,767.61	-	-	25,742.61

Changes in liabilities arising from financing activities for the year ended March 31, 2023

Particulars	As at March 31, 2022	Cash Flows (net)	Changes in Fair value	Others (net)*	As at March 31, 2023
i) Debt securities	1,509.14	-	-	-	1,509.14
ii) Borrowings other than debt securities	-	-	-	-	-
iii) Deposits	4,869.00	11,106.00	-	-	15,975.00
Total	6,378.14	11,106.00	-	-	17,484.14

*Transferred Liabilities under BTA to Unity Small Finance Bank Limited on November 1 2021

32. Transferred financial assets

32.1 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

33. Foreign exchange earnings/outflow

The foreign exchange earnings and outflow is Rs. Nil during the year ended March 31, 2024 (March 31, 2023: Rs. Nil)

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

34 Disclosures to be made in the Annual Financial Statements:

33.1 Additional Information as required by Reserve Bank of India, Master Direction - Core Investment Companies (Reserve Bank) Directions, RBI/DNBR/2016-17/39, Master Direction DNBR. PD. 003/03.10.119/2016- 17, August 25, 2016, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020 & RBI/2022-23/26, DOR.ACC.REC.No.20/21.04.018/2022-23.

These disclosures have been prepared based on standalone Ind AS financial statements in line with the Reserve Bank of India notification dated March 13, 2020.

Sl. no.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities:				
39.1	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:				
	(a) Debentures				
	- Secured	-	-	-	-
	- Unsecured	-	-	-	-
	(other than falling within the meaning of public)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Debt Securities	21,345.67	-	1509.14	-
	(e) Inter-Corporate Loans and Borrowings	500.00	-	15,975.00	-
	(f) Commercial Paper	-	-	-	-
	(g) Other Loans	-	-	-	-
	Assets:				
39.2	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:				
	a) Secured	-	-	-	-
	b) Unsecured	-	-	-	-
39.3	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
	(i) Lease assets including lease rentals under Sundry				
	(a) Financing lease	-	-	-	-
	(b) Operating lease	-	-	-	-
	(ii) Stock on hire including hire charges under Sundry				
	(a) Assets on hire	-	-	-	-
	(b) Repossessed assets	-	-	-	-
	(iii) Other loans counting towards asset financing activities				
	(a) Loans where assets have been repossessed	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-

33.2 Break-up of Investments:

Particulars	As at March 31, 2024	As at March 31, 2023
	Amount outstanding	Amount outstanding
Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity		
	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others		
Long-term Investments:		
1. Quoted:		
(i) Shares: (a) Equity	-	-
	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares: (a) Equity	53,476.04	46,950.00
	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	140.00	140.00

33.3 Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	As at March 31, 2024			As at March 31, 2023		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
(a) Subsidiaries						
(b) Companies in the same group		500.00	500.00		17,484.14	17,484.14
(c) Other related parties			-			-
2. Other than related parties	21,345.67		21,345.67			-
Total	21,345.67	500.00	21,845.67	-	17,484.14	17,484.14

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2023

(Currency : Indian Rupees in lakhs)

33.4 Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

No.	Category	As at March 31, 2024		As at March 31, 2023	
		Market value / Break up or fair value or NAV	Book value (net of provisions)	Market value / Break up or fair value or NAV	Book value (net of provisions)
1	Related Party				
	Subsidiaries	1,00,910.03	36,716.04	68,302.75	36,090.00
	Associates	15,900.00	16,900.00	11,000.00	11,000.00
	Companies in the same group		-	-	-
	Other related parties				
2	Other than related parties				

33.5 Other information

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

33.6 Components of ANW and other related information

No.	Particulars	As at March 31, 2024	As at March 31, 2023
i)	ANW as a % of Risk Weighted Assets	52.75%	62.94%
ii)	unrealized appreciation in the book value of quoted investments	0	0
iii)	diminution in the aggregate book value of quoted investments	0	0
vi)	Leverage Ratio	1.03	0.65

33.7 Investment in Other CICs

No.	Particulars	As at March 31, 2024	As at March 31, 2023
a.	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
b.	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
c.	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

33.8 Off-Balance Sheet Exposure

No.	Particulars	As at March 31, 2024	As at March 31, 2023
i.	Off balance sheet exposure	-	-
ii.	Financial Guarantee as a % of total off balance sheet exposure	-	-
iii.	Non-Financial Guarantee as a% of total off balance sheet exposure	-	-
iv.	Off balance sheet exposure to overseas subsidiaries	-	-
v.	Letter of Comfort issued to any subsidiary	-	-

33.9 Investments

No.	Particulars	As at March 31, 2024	As at March 31, 2023
(1)	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	53,616.04	47,090.00
	(b) Outside India	-	-
	(ii) Provision for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	53,616.04	47,090.00
	(b) Outside India	-	-
(2)	(2) Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

**33.10 ALM - Maturity pattern of Assets and Liabilities
as on 31 March 2024**

Particulars	1 to 7 days	8-14 days	15 to 30/31 days	1-2 months	2-3 months	3-6 months	6months- 1 year	1-3 years	3 -5 years	Over 5 years	Total
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	53,616	53,616
Borrowings	-	-	-	-	500.00	-	1,500	19,846	-	-	21,846
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

as on 31 March 2023

Particulars	1 to 7 days	8-14 days	15 to 30/31 days	1-2 months	2-3 months	3-6 months	6months- 1 year	1-3 years	3 -5 years	Over 5 years	Total
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	47,090	47,090
Borrowings	-	-	-	-	1,509.14	-	15,975	-	-	-	17,484
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

33.11 Business Ratios

No.	Particular	As at March 31, 2024	As at March 31, 2023
1	Return on Equity (RoE) (PAT/Total Equity)	-8.68%	-0.34%
2	Return on Assets (RoA)(PAT/Total Assets)	-4.32%	-0.20%
2	Net profit per employee ('in crs) (PAT / No. of employees)	-124459%	-5010%

33.12 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
Provisions for depreciation on Investment	0	0
Provision towards NPA	0	0
Provision made towards Income tax	0	0
Other Provision and Contingencies (with details)	0	0
Provision for Standard Assets	0	0

33.13 Concentration of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top five NPA accounts	-	-

33.14 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of the Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets
None	Not Applicable	Not Applicable	Not Applicable

Notes:

- 1 Quoted investments are at market value and unquoted investments are at break up/fair value/NAV irrespective of whether they are classified as long term or current in (6) above
- 2 Maturity pattern of assets and liabilities are disclosed in Note 34 and analysis of Financial Assets and Financial Liabilities by remaining contractual maturities are disclosed in Note 34B

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

33.15 A) Related Party Disclosure (Amount in ₹ crore)

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel@		Relatives of Key Management Personnel@		Others*		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings	5.00	174.84	163.33	-	-	-	-	-	2.00	-	-	-	170.34	174.84
Deposits		-		-		-		-		-		-	-	-
Placement of deposits		-		-		-		-		-		-	-	-
Advances		-		-		-		-		-		-	-	-
Investments		-	536.16	360.90	-	110.00		-		-		-	536.16	470.90
Purchase of fixed/other assets		-		-		-		-		-		-	-	-
Sale of fixed/other assets		-		-		-		-		-		-	-	-
Interest paid	13.14	8.11	0.49	-		-		-		-		-	13.63	8.11
Interest received		-		-		-		-		-		-	-	-
Others		-	10.62	-		-		-		-		-	10.62	-

Centrum Financial Services Limited
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(Currency : Indian Rupees in lakhs)

33.16 Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Customer complaints	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
	Complaints received by the NBFC from its customers		
1	No. of complaints pending at the beginning of the year	Nil	Nil
2	No. of complaints received during the year	Nil*	Nil
3	No. of complaints redressed during the year	Nil	Nil
	3.1 Of which, number of complaints rejected by the NBFC		
4	No. of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman		
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	Nil	Nil
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)		

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

*CFSL is in receipt of few complaints on its RBI-CMS portal which were pertaining to Unity Small Finance Bank Limited (subsidiary of CFSL), Centrum Housing Finance Limited (a Centrum group entity) and Resilient Innovations Private Limited (Shareholder of Unity Small Finance Bank Limited. Since, none of the complaints received on the portal were pertaining to CFSL, NIL complaints are being reported under this section.

INTERNAL

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Current Year				
Ground - 1	NIL	NIL	-	NIL	NIL
Ground - 2	NIL	NIL	-	NIL	NIL
Ground - 3	NIL	NIL	-	NIL	NIL
Ground - 4	NIL	NIL	-	NIL	NIL
Ground - 5	NIL	NIL	-	NIL	NIL
Others	NIL	NIL	-	NIL	NIL
Total	NIL	NIL	-	NIL	NIL
	Previous Year				
Ground - 1	NIL	NIL	-	NIL	NIL
Ground - 2	NIL	NIL	-	NIL	NIL
Ground - 3	NIL	NIL	-	NIL	NIL
Ground - 4	NIL	NIL	-	NIL	NIL
Ground - 5	NIL	NIL	-	NIL	NIL
Others	NIL	NIL	-	NIL	NIL
Total	NIL	NIL	-	NIL	NIL

INTERNAL

Centrum Financial Services Limited
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(Currency : Indian Rupees in lakhs)

33.17 **AUDIT COMMITTEE**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Siddhartha Sengupta	14-05-2020	Independent Director, Chairperson of Committee	4	4	NIL
2.	Subhash Kutte	21-10-2022	Independent Director, Member of Committee	4	4	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	4	3	NIL

* 4 meetings of the Audit Committee were held during the year ended March 31, 2024. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

NOMINATION & REMUNERATION COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Subhash Kutte	21-10-2022	Independent Director, Chairperson of Committee	NIL	NA	NIL
2.	Siddharth Sengupta	21-10-2022	Independent Director, Member of Committee	NIL	NA	NIL
3.	Deepa Poncha	02-08-2023	Non-Executive Director, Member of Committee	NIL	NA	NIL

* No meeting of the Nomination & Remuneration Committee was held during the year ended March 31, 2024

FINANCE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Ranjan Ghosh	23-08-2019	Non-Executive Director	47	44	NIL
2.	Rishad Byramjee	08-02-2022	Executive Director	47	47	NIL
3.	Jaspal Singh Bindra	02-08-2023	Non-Executive Director	39	37	NIL

* 47 meetings of the Finance Committee were held during the year ended March 31, 2024. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

3) General Body Meetings :

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Extra-Ordinary General meeting	05-06-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	TO APPROVE ISSUANCE OF SECURITIES IN ONE OR MORE TRANCHES
2	Annual General Meeting	02-08-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	None

4) Details of non-compliance with requirements of Companies Act, 2013

Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.- NIL

5) Details of penalties and strictures

NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.: NIL

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

33.17 A) Disclosures on Corporate governance

1) Composition of the Board

Sr. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC	Remark
					Held*	Attended		Salary and other compensation	Sitting Fee	Commission		
1	Rishad Khushrooh Byramjee	24-12-2002	Executive Director	00164123	5	5	14	12	0	0	NIL	
2	Subhash Gundappa Kutte	09-08-2022	Independent Director	00233322	5	5	6	0	4.2	0	NIL	
3	Siddhartha Sengupta	14-05-2020	Independent Director	08467648	5	5	8	0	4.2	0	NIL	
4	Ranjan Ghosh	17-08-2016	Non-Executive Director	07592235	5	4	1	0	0	0	NIL	
5	Jaspal Singh Bindra	21-03-2023	Non-Executive Director	00128320	5	5	7	0	0	0	NIL	
6	Deepa Poncha	21-03-2023	Non-Executive Director	01916512	5	4	3	0	0	0	NIL	

* 5 Board meetings was held during the year ended March 31, 2024. The no of meetings held for each director denotes the no. of meetings held post their appointment.
Details of change in composition of the Board during the current and previous financial year.- No change in the financial year 2023-24

2) Committees of the Board and their composition

- Mention the names of the committees of the Board.- 1) Audit Committee 2) Nomination & Remuneration Committee 3) Finance Committee
- For each committee, mention the summarized terms of reference and provide the following details.

The terms of reference of the Committee is as follows:

The role, scope and terms of reference of the Audit Committee is as defined under the applicable provisions of the Companies Act, 2013 as amended from time to time

The role, scope and terms of reference of the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 as amended from time to time

The terms and reference of Finance Committee is enclosed.

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

33.17 A) Disclosures on Corporate governance (Previous year)

1) Composition of the Board

Sr. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC	Remark
					Held*	Attended		Salary and other compensation	Sitting Fee	Commission		
1	Rishad Khushrooh Byramjee	24-12-2002	Executive Director	164123	7	3	15	6.5	0	0	NIL	
2	Subhash Gundappa Kutte	09-08-2022	Independent Director	233322	4	4	6	0	2.7	0	NIL	
3	Siddhartha Sengupta	14-05-2020	Independent Director	8467648	7	5	6	0	4.2	0	NIL	
4	Ranjan Ghosh	17-08-2016	Non-Executive Director	7592235	7	7	3	0	0	0	NIL	
5	Jaspal Singh Bindra	21-03-2023	Non-Executive Director	128320	NIL	NIL	7	0	0	0	NIL	
6	Deepa Poncha	21-03-2023	Non-Executive Director	1916512	NIL	NIL	3	0	0	0	NIL	
7	Dipali Seth	16-05-2018	Independent Director	7556685	3	3	6	0	1.8	0	NIL	Resigned wef Sep 05, 2022
8	G. S. Sundararajan	12-10-2017	Independent Director	361030	5	4	4	0	3.3	0	NIL	Resigned wef Oct 21, 2022
9	Shailendra Apte	29-09-2015	Non-Executive Director	17814	6	6	6	0	0	0	1 (Nominee of Centrum Capital Limited)	Resigned wef Feb 09, 2023

* 7 Board meetings was held during the year ended March 31, 2023. The no. of meetings held for each director denotes the no. of meetings held post their appointment.

Details of change in composition of the Board during the current and previous financial year.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Ranjan Ghosh	Non-Executive Director	Change in designation from Managing Director & CEO to Non-Executive Director	21-10-2022
2	Rishad Byramjee	Executive Director	Change in designation from Non-Executive Director to Executive Director	16-09-2022
3	Dipali Seth	Independent Director	Resigned from services of Company as she has accepted a full time role elsewhere and the time commitments and demands of the new role is not	05-09-2022
4	G. S. Sundararajan	Independent Director	Resigned due to his preoccupation	21-10-2022
5	Jaspal Singh Bindra	Non-Executive Director	Appointment	21-03-2023
6	Deepa Poncha	Non-Executive Director	Appointment	21-03-2023
7	Subhash Kutte	Independent Director	Appointment	09-08-2022
8	Shailendra Apte	Non-Executive Director	Resignation due to pre-occupation	09-02-2023

2) Committees of the Board and their composition

- Mention the names of the committees of the Board.- 1) Audit Committee 2) Nomination & Remuneration Committee 3) Finance Committee
- For each committee, mention the summarized terms of reference and provide the following details.

The terms of reference of the Committee is as follows:

The role, scope and terms of reference of the Audit Committee is as defined under the applicable provisions of the Companies Act, 2013 as amended from time to time

The role, scope and terms of reference of the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 as amended from time to time

The terms and reference of Finance Committee is enclosed.

Centrum Financial Services Limited
Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees in lakhs)

For previous year

AUDIT COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Siddhartha Sengupta	14-05-2020	Independent Director, Chairperson of Committee	4	4	NIL
2.	Subhash Kutte	21-10-2022	Independent Director, Member of Committee	1	1	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	1	1	NIL

* 4 meetings of the Audit Committee were held during the year ended March 31, 2023. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

NOMINATION & REMUNERATION COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Subhash Kutte	21-10-2022	Independent Director, Chairperson of Committee	NIL	NA	NIL
2.	Siddharth Sengupta	21-10-2022	Independent Director, Member of Committee	NIL	NA	NIL
3.	Ranjan Ghosh	21-10-2022	Non-Executive Director, Member of Committee	NIL	NA	NIL

* No meeting of the Nomination & Remuneration Committee was held during the year ended March 31, 2023

FINANCE COMMITTEE

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held*	Attended	
1.	Ranjan Ghosh	23-08-2019	Non-Executive Director, Chairperson of Committee	3	3	NIL
2.	Rishad Byramjee	08-02-2022	Executive Director, Member of Committee	1	1	NIL

* 3 meetings of the Finance Committee were held during the year ended March 31, 2023. The no of meetings held for each member denotes the no. of meetings held post their appointment in the Committee.

3) General Body Meetings :

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Annual General meeting	08-08-2022 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	Approving re-appointment of Mr. Ranjan Ghosh (DIN: 07592235) as Managing Director & CEO of the Company
2	Extra-Ordinary General meeting	06-03-2023 at CENTRUM HOUSE, C.S.T. ROAD, VIDYANAGARI MARG, KALINA, SANTACRUZ (EAST), MUMBAI – 400 098	Change in Object clause of the Memorandum of Association of the Company

4) Details of non-compliance with requirements of Companies Act, 2013

Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance accounting and secretarial standards.- NIL

5) Details of penalties and strictures

NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.: NIL

Centrum Financial Services Limited**Notes to the financial statements as at and for the year ended March 31, 2024**

(Currency : Indian Rupees)

35. Related Party Disclosure

As per the requirement of Ind AS 24, on related party disclosures, the name of the related parties with the description of the relationship and transactions between the reporting enterprise and its related parties, as identified by the management are as follows :

35.1 List of related parties

Nature of relationship	Name of the party
Holding company	Centrum Capital Limited
List of Subsidiary/ holding/ Associate/ subsidiary of a holding company as per 2(76)(viii)	Centrum Capital Limited IGNIS Capital Advisors Limited Unity Small Finance Bank Limited Centrum Finverse Limited Centrum Retail Services Limited Centrum Wealth Limited Centrum Insurance Brokers Limited Centrum Investment Advisory Limited Centrum Broking Limited CCIL Investment Management Limited(ceased to be fellow subsidiary wef November 17, 2023) Centrum Capital International Limited (ceased to be fellow subsidiary wef November 17, 2023) CCAL Investment Managers Limited Centrum Alternatives LLP Centrum Capital Advisors Limited Centrum International Services PTE Limited (ceased to be fellow subsidiary wef November 17, 2023) Modulus Alternatives Investment Managers Limited Centrum Housing Finance Limited
Key management personnel (KMP)	Rishad K. Byramjee (Executive Director) Abhishek Baxi (CFO) Archana Goyal (CS)

35.2 Transactions with Related parties during the year

No.	Nature of Transaction	Name of Party	For the year ended 31 March,	
			2024	2023
1	Loans given	Centrum Finverse Limited	12.00	
2	Loan repayment	Centrum Finverse Limited	12.00	
3	Loan taken	Centrum Capital Limited IGNIS Capital Advisors Limited	5,327.00 500.00	16,598.00
4	Loan repayment	Centrum Capital Limited	21,302.00	5,492.00
5	Insurance premium Reimbursement	Centrum Capital Limited	-	0.98
6	Rent income	Centrum Capital Limited (Erstwhile-Centrum Microcredit Ltd) Centrum Retail Services Limited Centrum Wealth Limited	- - -	- - -

No.	Nature of Transaction	Name of Party	For the year ended 31 March,	
			2024	2023
6	Interest income	Centrum Finverse Limited	0.06	
7	Interest expenses	Centrum Capital Limited(CCD)	31.01	-
		Centrum Capital Limited(ICD)	1,283.17	811.20
		IGNIS Capital Advisors Limited(ICD)	49.02	
8	Commission and brokerage expenses	Centrum Broking Limited	0.00	0.13
9	Director Sitting Fees			
		Siddharth Sengupta	4.20	4.20
		Subhash Kutte	4.20	2.70
10	Managerial remuneration	Rishad Khushrooh Byramjee	12.00	6.50
11	IT Refund transeferred	Unity Small Finance Bank Limited		517.07
12	Investment			
		Ignis Capital Advisors Limited	500.00	-
		Unity Small Finance bank Limited(Equity Shares)	-	-
		Unity Small Finance bank Limited(Equity Shares)	-	-
		Unity Small Finance bank Limited(Share Warrants)	-	-
		Centrum Retail Services Limited(CWL shares purchased)	-	11,000.00
		Centrum Finverse Limited (Equity Shares)	125.00	
		Centrum Capital Limited (IGNIS shares purchased)	1.04	
		JBCG Advisory Services Private Limited (CWL shares purchas	5,900.00	
			-	
13	Investment Sold	JBCG Advisory Services Private Limited	-	800.00
			-	
14	CCD Conversion into Equity	Centrum Capital Limited	1,509.14	
			-	
15	Subscription of NCD / MLD Issued			
		Centrum Wealth Limited	16,333.43	
		JAKARI DEVELOPERS PRIVATE LIMITED	100.00	
		MAHAKHURSHID K BYRAMJEE & RISHAD BYRAMJEE	100.44	
16	Commission Paid on NCD / MLD Issue	Centrum Investment Advisors Limited	1,061.66	
35.3	Balances with Related parties as at year end			
No.	Nature of Transaction	Name of Party	As at March 31,	
			2024	2023
1	Margin balance with broker	Centrum Broking Limited	-	-
2	Other financial liability	Centrum Capital Limited	-	15,975.00
		IGNIS Capital Advisors Limited	500.00	-
3	Debt Securities	Centrum Capital Limited	-	1,509.14
4	Trade payable	Centrum Wealth Limited		-
5	Investment			
		Unity Small Finance Bank Ltd (Equity Investment)	35,950.00	35,950.00
		Unity Small Finance Bank Ltd (Investment in Share Warrants)	140.00	140.00
		Centrum Finverse Limited	125.00	
		IGNIS Capital Advisors Limited	501.04	
		Centrum Wealth Limited	16,900.00	11,000.00
6	Margin balance with broker	Unity Small Finance Bank Limited (Payable Cash Balance)	-	-

Centrum Financial Services Limited

Notes to the financial statements for the year ended 31 March 2024

(Currency : Indian Rupees)

36 Relationship with struck off companies

During the year ended 31 March 2024 the Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. (During the year ended 31 March 2023 - Nil).

37 The borrowings raised during the year have been used for the purpose they were raised

38 Registration of charges or satisfaction with Registrar of Companies

During FY 2023-24, all charge forms were duly filed with the time prescribed under the Companies Act,2013.

39 Details of Benami Property held

There were no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

40 Title deeds of Immovable Properties not held in name of the Company

Sr No	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative # of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
1	NA	NA	-			-	

41 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries)

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023.

As per our report of even date

For SHAH & TAPARIA

Chartered Accountants

ICAI Firm Registration No.109463W

For and on behalf of Board of Directors of

Centrum Financial Services Limited

Narottam Shah

Partner

MembershipNo.106355

Rishad Byramjee

Executive Director

DIN : 00164123

Ranjan Ghosh

Non - Executive Director

DIN : 07592235

Mumbai

May 6, 2024

Abhishek Baxi

Chief Financial Officer

Archana Goyal

Company Secretary

Mumbai

May 6, 2024

Mumbai

May 6, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM FINVERSE LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CENTRUM FINVERSE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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 Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2024, its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the period ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The management report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "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:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. 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 period ended march 31,2024;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As no dividend was declared or paid during the period by the Company, no reporting is required about the compliance to S.123 of the Act.

- vi. Based on our examination which included test checks performed, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 25th April, 2024
UDIN-24131566BKDAAL8054

Annexure 1 to the Independent Auditors' Report – March 31st, 2024
(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) The Company does not have any Property, Plant and Equipment and Intangible Assets and as such paragraph 3(i)(a) to (d) of the Order is not applicable to the Company.
 - (e) No proceedings have been initiated during the period or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the period, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and as such paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service

tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities as applicable to it. the Company did not have any undisputed dues outstanding for a period of more than six months from the date payable on account of sales tax, wealth tax, customs duty, service tax, excise duty, cess, investor education and protection fund and employees' state insurance, to the extent applicable, as at March 31, 2024

(b) According to the information and explanations given to us, there were no disputed amounts payable in respect of income-tax, service tax and other material statutory dues as at March 31, 2024

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the period for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
- (f) The Company has not raised any loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the period.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.
- (c) As the company does not belong to class to which vigil mechanism is applicable under the Act and Rules, clause xi (c) of the order is not applicable.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. As explained to us the requirements of having internal audit under the Companies Act, 2013 are not applicable and as such reporting under clause 3(xiv) of the Order is not applicable.
- xv. In our opinion during the period the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) As informed to us, there is one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company was incorporate during the year and had incurred cash losses during the financial year, and being the first year of incorporation, reporting under clause 3(xvii) of the Order is not applicable.
- xviii. As there is no resignation of statutory auditor, reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company is not liable for contribution to Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the period.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 25th April,2024
UDIN- 24131566BKDAAL8054

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **CENTRUM FINVERSE LIMITED** on the standalone Ind AS financial statements for the period ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **CENTRUM FINVERSE LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk

that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

(1) 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - 25th April, 2024
UDIN-24131566BKDAAL8054

Centrum Finverse Limited
Balance Sheet as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-24
ASSETS		
Non-current Assets		
Property, Plant & Equipment		-
Other Non-Current Asset	3	0.10
		0.10
Current Assets		
Financial Assets		
Cash and cash equivalents	4	82.50
Trade Receivable		-
Other Current Assets	5	6.14
		88.64
Total Assets		88.74
EQUITY & LIABILITIES		
EQUITY		
Equity Share capital	6	125.00
Other Equity	7	(39.05)
		85.95
Non-Current Liabilities		
		-
Current Liabilities		
Financial Liabilities		
Trade Payables	8	
(i) total outstanding dues of micro enterprises and small enterprises		0.05
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.13
Provisions	9	0.62
Other current Liabilities	10	1.99
		2.79
Total Liabilities and Equity		88.74

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

For and on behalf of
Centrum Finverse Limited

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
Date : 25th April, 2024

Koni Sandeep Nayak
Director
DIN : 03281505
Place : Mumbai
Date : 25th April, 2024

Arindam Chanda
Director
DIN : 01300371

Centrum Finverse Limited
Statement of Profit and Loss for the period ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Period Ended 31-Mar-24
REVENUE		
Total Revenue		-
EXPENSES		
Finance Costs	11	0.06
Employee Benefit Expense	12	24.57
Other Expenses	13	2.70
Total Expenses		27.33
Profit / (loss) before tax		(27.33)
Tax expense		
Current tax		-
Deferred tax		-
Profit / (loss) for the period - (A)		(27.33)
Other Comprehensive Income		-
Other Comprehensive Income for the period (net of tax) - (B)		-
Total Comprehensive Income / (loss) for the period (A+B)		(27.33)
Earnings per Equity Shares - Weighted Average		
Basic		(3.28)
Diluted		(3.28)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

For and on behalf of
Centrum Finverse Limited

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
Date : 25th April, 2024

Koni Sandeep Nayak
Director
DIN : 03281505
Place : Mumbai
Date : 25th April, 2024

Arindam Chanda
Director
DIN : 01300371

Centrum Finverse Limited
Cash Flow Statement for the period ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Period Ended 31-Mar-24
CASH FLOW FROM OPERATING ACTIVITIES	
Profit/(Loss) before tax	(27.33)
Add / (Less) : Adjustments for	
Interest expenses	0.06
Depreciation/Amortisation	-
Operating loss before working capital changes	(27.27)
Adjustments for:	
Decrease/(Increase) in non current asset	(0.10)
Decrease/(Increase) in other current asset	(6.14)
Increase/(Decrease) in trade payable	0.18
Increase/(Decrease) in other financial liabilities	0.62
Increase/(Decrease) in other current liabilities	1.99
Cash used in operations	(30.72)
Income Tax Paid (net of refund)	-
Net cash used in Operating Activities (A)	(30.72)
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Property, Plant and Equipment	-
Net cash used in Investing Activities (B)	-
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Short-term borrowings	12.00
Repayment of Short-term borrowing	(12.00)
Interest paid	(0.06)
Increase/(Decrease) in Equity share Capital	125.00
Increase/(Decrease) in Other equity	(11.72)
Net cash generated from Financing Activities (C)	113.22
Net increase in cash and cash equivalents (A+B+C)	82.50
Closing cash and cash equivalents	82.50
As at the end of the year (refer note 3)	
Cash in hand including foreign currencies	
Balance with scheduled banks-Current accounts	82.50
Closing cash and cash equivalents	82.50

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

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

For and on behalf of
Centrum Finverse Limited

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
Date : 25th April, 2024

Koni Sandeep Nayak
Director
DIN : 03281505
Place : Mumbai
Date : 25th April, 2024

Arindam Chanda
Director
DIN : 01300371

Centrum Finverse Limited
Statement of Changes in Equity for the period ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Changes in equity share capital during the year	125.00
Balance as at 31st March, 2024	125.00

B. Other Equity

Particulars	Retained Earnings	Other Reserve	Total Amount
Profit /(Loss) for the period	(27.33)	-	(27.33)
Other comprehensive income	-	-	-
Equity instrument issuance expenses	-	(11.72)	(11.72)
Balance as at 31st March, 2024	(27.33)	(11.72)	(39.05)

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

For and on behalf of
Centrum Finverse Limited

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
Date : 25th April, 2024

Koni Sandeep Nayak
Director
DIN : 03281505
Place : Mumbai
Date : 25th April, 2024

Arindam Chanda
Director
DIN : 01300371

Centrum Finverse Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the period ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

1. CORPORATE INFORMATION

Centrum Finverse Limited is the public limited company incorporated on October 3rd, 2023. The company has made application to SEBI to act as Stock Broker and Depository Participant.

2. 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 Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (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.

(h) 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 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.

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

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.

Deferred tax is will be recognised only when it is probable that the future taxable profits will be available against which unused tax losses and unsettled tax credits cab be utilised as stated in Ind AS 12- Income taxes

(i) 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.

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

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Subsequent Measurement

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on de-recognition is recognised in the Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(iii) 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:

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

(iv) 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

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

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
- 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.

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

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.

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.

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.

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

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.

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.

Centrum Finverse Limited

Summary of material accounting policies and other explanatory information (notes) forming part of the financial statements for the period ended March 31, 2024 (All amounts in INR Lakhs, unless otherwise stated)

- 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.
- e. Disclosure of Transactions with struck of companies:** During this financial year there are no transactions done with struck of companies.
- f. Foreign Currency Transactions and Balances:** Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are taken to the income statement.
- g. Details of Crypto Currency or Virtual Currency:** Company has not made trade in Crypto currency or Virtual Currency

Centrum Finverse Limited

Notes to the Financial Statements for the period ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

3. OTHER NON-CURRENT ASSET	As at 31-Mar-24	
Security deposits	0.10	
Total	0.10	
4. CASH AND CASH EQUIVALENTS	As at 31-Mar-24	
Balances with Banks - In current accounts	82.50	
Total	82.50	
5. OTHER CURRENT ASSETS	As at 31-Mar-24	
Balances with Government	0.11	
Other Advances	6.03	
Total	6.14	
6. EQUITY SHARE CAPITAL	As at 31-Mar-24	
Authorized		
110,00,000 equity shares of Rs. 10 each	1,100.00	
Total	1,100.00	
Issued, subscribed and fully paid up		
12,50,000 equity shares of Rs. 10 each	125.00	
Total	125.00	
6.a Particulars of shareholders holding more than 5% of aggregate shares		
	As at 31-Mar-24	As at 31-Mar-24
Particulars	No of shares	%
Centrum Financial Services Limited with its Nominees	12,50,000	100.00%
6.b Particulars of Shareholding of Promoters		
Promoter name	No. of Shares	% of total shares
Centrum Financial Services Limited with its Nominees	12,50,000	100.000%
7. OTHER EQUITY	As at 31-Mar-24	
Deficit in Statement of Profit and Loss		
Add: Loss for the year / period	(27.33)	
Total	(27.33)	
Preliminary Expenses		
Equity instrument issuance expenses	(11.72)	
Total	(11.72)	
Total	(39.05)	

8. TRADE PAYABLESAs at
31-Mar-24

Total outstanding dues for Micro Enterprises and Small Enterprises	0.05
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	0.13
Total	0.18

* Includes amount payable to related parties Rs. NIL.

Particulars	Outstanding as on 31/03/2024 from due date of payment				Total
	Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i)MSME	0.05	-	-	-	0.05
(ii)Others	0.13	-	-	-	0.13
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.18	-	-	-	0.18

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

No interest has been paid/ is payable by the company during the year to 'Suppliers' registered under MSME Act,2006. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicabilities under the said Act.

Trade Payables includes 0.05 Lacs payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006 which has been paid within specified period. Interest paid by the Company during the year to "Suppliers" registered under this Act is Nil. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

9. PROVISIONSAs at
31-Mar-24

Provision - Other expenses	0.62
Total	0.62

10. OTHER CURRENT LIABILITIESAs at
31-Mar-24

Statutory dues	1.99
Total	1.99

Centrum Finverse Limited**Notes to the Financial Statements for the period ended and as at 31st March 2024****(All amounts in INR Lakhs, unless otherwise stated)**

11. FINANCE COSTS	Period Ended 31-Mar-24
Interest on borrowings	0.06
Total	0.06
12. EMPLOYEE BENEFITS EXPENSE	Period Ended 31-Mar-24
Salaries, allowances and bonus	23.31
Contribution to provident and other funds	1.25
Total	24.57
13. OTHER EXPENSES	Period Ended 31-Mar-24
DP Charges	0.21
Membership & Subscription Fees	1.00
Professional & Consultancy Charges	0.34
Auditors' Remuneration	0.50
Printing & Stationery	0.08
Registration and Filing Fees	0.07
Sebi Fees - Paid	0.50
Total	2.70
Audit Fees - Statutory Audit	0.50
Out of Pocket Expenses	-
Total	0.50

14. 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, 2024.

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-24
Borrowings	
Long term and Short term borrowings	-
Less: cash and cash equivalents	82.50
Adjusted net debt	(82.50)
Total Equity	85.95
Adjusted net debt to adjusted equity ratio	-96%

15. EMPLOYEE BENEFITS

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	Period ended 31-Mar-24
Employer's Contribution to Provident Fund	1.20
Provident Fund Administration charges	0.05

16. 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

- Holding Company
- Other Related Parties (members of same group)
- Key Managerial Person / Director

Name of the Parties

Centrum Financial Services Limited
Acapella Foods & Restaurants Pvt Ltd (From December 2023)
Arindam Chanda (From 01-12-2023)
Raji Vishwanathan (From 01-12-2023)
Venkatasubramanian Sriram (From 03-10-2023)
Rajendra Naik (From 03-10-2023)
Koni Sandeep Nayak (From 03-10-2023)

(ii) Details of transactions

Name of the related party	Description	Transaction during	Receivable/ (Payable)
		Period ended 31-Mar-24	As at 31-Mar-24
Centrum Financial Services Limited	Inter Corporate Deposit (Loan taken)	12.00	-
	Inter Corporate Deposit (Loan repaid)	12.00	-
	Interest expenses on loan	0.06	-
Acapella Foods & Restaurants Pvt Ltd	Other Expense	0.06	(0.03)
Arindam Chanda	Short Term employee Benefites	24.51	-

17. 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-24	As at 31-Mar-24
	Carrying Value	Fair Value
Financial Assets (measured at amortized cost)		
Cash and cash equivalents	82.50	82.50
Total	82.50	82.50
Financial Liabilities (measured at amortized cost)		
Borrowings	-	-
Trade payables	0.18	0.18
Total	0.18	0.18

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.

18. 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 82.50 Lakhs at March 31, 2024 . 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 0.10 Lakhs at March 31, 2024 which is being security deposit 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
As at 31st March 24			
Short Term Borrowings	-	-	-
Trade Payables	0.18	-	0.18
Total	0.18	-	0.18

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.

19. EARNING PER SHARE

Particulars	Period ended 31-Mar-24
i) Profit/(loss) after Taxes attributable to equity shareholders	(27.33)
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the period (nos)	12,50,000
iii) Weighted average number of shares outstanding at the end of the period (nos)	8,32,265
iv) Basic earnings per share	(3.28)
v) Diluted earning per share	(3.28)

20. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31-Mar-24
Contingent liabilities and commitments	Nil

21. CAPITAL AND OTHER COMMITMENT

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

22. SEGMENT REPORTING

Modulus Alternatives 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.

23. 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.

24. Ratio :

Particulars	Numerator	Denominator	31-03-2024
			Rs. In Lakhs
Current Ratio (1)	Current Assets	Current Liabilities	31.77
Debt Equity Ratio	Liabilities	Shareholder's Equity	NA
Debt Service Coverage Ratio	Earning available for debt	Debt Service	(454.50)
Return on Equity Ratio (3)	Profit/(loss) after tax	Average shareholders equity	(0.32)
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	NA
Trade Receivables Turnover Ratio	Revenue	Average Trade Receivables	NA
Trade Payables Turnover Ratio (4)	Purchase of services and	Average trade payables	15.00
Net Capital Turnover Ratio (5)	Revenue	Average working capital	NA
Net Profit Ratio (2)	Net Profit	Revenue	NA
Return on Capital employed (2)	Earning before interest and	Capital Employed	(0.32)

Ratios are not comparable since it is first financial statement of the company

25. Relationship with Struck off company

List of Companies	Nature of transactions	Balance outstanding as at March 31, 2024	Relationship with the Struck off company
-	-	-	-

26. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. The financial statements were authorised for issue by the Company's Board of directors on 25th April 2024.

27. The company was incorporated on 3rd October 2023, therefore there are no reportable amounts for previous year.

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants

For and on behalf of
Centrum Finverse Limited

Hemant Goyal
Partner
Membership No.: 131566
Place : Mumbai
Date : 25th April, 2024

Koni Sandeep Nayak
Director
DIN : 03281505
Place : Mumbai
Date : 25th April, 2024

Arindam Chanda
Director
DIN : 01300371

INDEPENDENT AUDITOR'S REPORT

To,
**The Members of
Centrum Housing Finance Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Centrum Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, the profit and other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
1. Impairment of loans and advances to customers	
(Refer to 'Note no. 3.6 – Accounting Policy on Impairment of financial assets' to the financial statements)	
Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The critical areas where we identified greater levels of management judgement and therefore enhanced levels of audit focus in the Company's estimation of ECLs are:	Our key audit procedures included: Design / controls We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL process. We tested the relevant manual (including spreadsheet controls), general IT

The Key Audit Matter	How the matter was addressed in our audit
<p>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p> <p>• Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), and Exposures at Default (“EAD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company’s modelling approach</p> <p>• Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering uncertain economic environment.</p> <p>• Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements (refer note no. 42.1) disclose the sensitivities estimated by the Company.</p> <p>Disclosures</p> <p>The disclosures regarding the Company’s application of Ind AS 109 are vital to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions are an area of focus, particularly as they are related to an area of significant estimate.</p>	<p>and application controls over key systems used in the ECL process.</p> <p>Key aspects of our controls testing involved the following:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the ‘Governance Framework’ controls over validation, implementation and model monitoring in line with the RBI guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing management’s controls over authorisation and calculation of post model adjustments and management overlays. • Testing management’s controls on compliance with Ind AS 109 disclosures related to ECL. • Testing key controls operating over information technology in relation to loan impairment management systems, including system access and system change management, program development and computer operations. <p>We also performed the following important tests</p> <ul style="list-style-type: none"> • Evaluating the appropriateness of the Company’s Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays). • For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. • The reasonableness of the Company’s considerations of the impact due to uncertain economic environment 9 on the ECL determination. <p>Test of details</p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and the model assumptions applied. • Test of details of post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data. • Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. <p>As part of this activity, we assessed the sensitivity analysis that is disclosed. In addition, we assessed whether the disclosure of the key judgements and assumptions made was appropriately and sufficiently clear.</p>

The Key Audit Matter	How the matter was addressed in our audit
<p>2. Acquisition of business in accordance with Ind AS 103, Business Combination and the appropriateness of revaluation of the carrying value of the acquired Net Assets and Goodwill.</p> <p>(Refer to 'Note no. 43 – Business Combination to the Financial Statement)</p>	
<p>On February 28, 2023, the Company had acquired the Housing Finance business of National Trust Housing Finance Limited (NatTrust) pursuant to the Business Transfer Agreement (BTA) as described in the afore stated note. The Company had determined the acquisition to be a Business Combination in accordance with the Ind AS 103 'Business Combination'. Ind AS 103 requires the identified assets and liabilities be recognised at fair value at the date of acquisition with the excess of the acquisition cost over the identified fair value of recognised assets and liabilities as goodwill.</p> <p>The Company had appointed an independent professional valuer to perform valuation of assets for the purpose of allocation of the consolidated purchase price to the respective assets and liabilities acquired (hereinafter referred to as the 'purchase price allocation' or the 'PPA'). The Management had determined that the fair values of the net identifiable assets acquired was Rs.13 ,118 lakhs as part of the PPA and accordingly, the consideration paid in excess of the net assets resulted in recognition of Goodwill of Rs. 382 lakhs. Significant assumptions and estimates were used as of the date of acquisition in the determination of the fair values of the identified assets acquired and liabilities assumed in the transaction.</p> <p>During FY24, the Company has carried out and completed its internal value re-assessment of the assets of NatTrust acquired previously, more particularly, the NPA's as on the date of acquisition and revaluation impact is accounted in the books in compliance with the provisions of Ind AS 103. In light of the detailed re-assessment of the NPAs conducted during the year, Company's revised estimate of the fair value of the acquired NPAs is Rs. 863.19 lakhs (compared to Rs. 1464.70 lakhs). This has resulted in additional recognition of Goodwill to the extent of Rs. 601.51 lakhs.</p> <p>Accordingly, this revaluation exercise is considered to be a key audit matter.</p>	<p>Our procedures included the following: -</p> <p>We understood from the Management, assessed the design and tested the operating effectiveness of the Company's key controls over the accounting of business combination and the impairment assessment.</p> <p>We have evaluated the competence, capabilities and objectivity of the Managements' expert engaged for the PPA, obtained an understanding of the work of the expert and evaluated the appropriateness of the expert's work as audit evidence.</p> <p>We have traced the value of the consideration transferred with reference to the BTA.</p> <p>We have carried out our evaluation to review the PPA and assess the reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date.</p> <p>We have verified the management's computation of goodwill.</p> <p>We have further verified the Management's rationale and methodology for revaluation of the loan assets acquired, more particularly, the NPAs as on date of acquisition.</p> <p>We have assessed the accuracy and appropriateness of the disclosures made in the financial statements.</p> <p>Based on our procedures performed above, we noted that the carrying value of the acquired Net Assets and Goodwill post the revaluation exercise was appropriate.</p>

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information obtained at the date of this auditor's report is the Director's report but does not include financial statements and our auditor's report thereon.

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

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

Board of Directors and Management's responsibility for the financial statements

The Company's Board of Directors and Management are responsible for the matter stated in Section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the ability of the Company 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to the 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 in the financial statements made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rules made thereunder.
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report given in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of my information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2024 on its financial position in its financial statements - Refer note no. 65 to the financial statements;
 - 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 are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer note no. 52 to the financial statements;
 - iv. (a) The management has represented that no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

(b) The Management has represented that no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.
 - v. As the Company has not declared/ paid any dividend in the current year, the provisions of Section 123 do not apply. Accordingly, we do not report on the matters specified in sub-clause (iii) of Rule 11 (e).
 - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with or disabled.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration: 302137E)

Tushar Kandoi
Partner.
Membership No. 136229

UDIN: 24136229BKDIQE3470

Place: Mumbai
Date: May 02, 2024

Centrum Housing Finance Limited

Annexure - 'A' to the Independent Auditor's Report for the year ended March 31, 2024

[Referred to in para 1 of the heading 'Report on other legal and regulatory requirements' of our report]

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of-use of assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every year. In accordance with this programme, all the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, para 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (Including Right-of use of assets) or intangible assets or both during the year. Hence, para 3(i)(d) of the Order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The Company is in the business of providing financial services and does not have any inventory. Accordingly, clause 3(ii)(a) of the order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on para 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties other than in the normal course of its business of providing housing finance to individuals. Accordingly, the requirement to report on para 3(iii)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, Company has not made any investments or provided any guarantees or security which is prejudicial to the interest of the Company. Accordingly, the requirement to report on para 3(iii)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the Company has given loans and advances in the nature of loans under its normal course of business as per the registration obtained with RBI and has issued schedule of repayment of principal and interest. Also, Company has disclosed the defaults in receipts of repayments of such loans. (Refer note no. 50.13 of the financial statements);

- (d) According to the information and explanations given to us and based on our verification, Company has amounts overdue for more than ninety days. Details of the same are given below.

(Rs. in Lakh)

No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks (if any)
341	3,224.35	203.41	3,427.76	Refer Note no. 50.13 of Financial Statements

- (e) In our opinion and according to the information and explanations given to us, Company has not given any loan or advance in the nature of loan granted which has fallen due during the year and has been renewed or extended or has granted fresh loans to settle the overdues of existing loans given to the same parties, other than as mandated by RBI/ NHB Regulations. Accordingly, the requirement to report on para 3(iii)(e) of the Order is not applicable to the Company.
- (f) In our opinion and according to the information and explanations given to us, Company has not, granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Accordingly, the requirement to report on para 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loans, investments, guarantees, and security during the year under Section 185 and 186 of the Act. Thus paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act and the rules framed thereunder apply. Thus paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Thus paragraph 3(vi) of the Order is not applicable.
- (vii)
- (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Goods and Services Tax (GST), and other material statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no material undisputed statutory dues payable in respect of above statutes outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed dues that have not been deposited in respect of Income Tax, Service Tax, Provident Fund, GST and other material statutory dues as at March 31, 2024.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on para 3(viii) of the Order is not applicable to the Company.

- (ix)
- (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
 - (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has raised monies by way of term loans during the year and has utilized the proceeds of the same for the purpose the loans were availed.
 - (d) According to the information and explanations given to us and based on the audit procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(e) and (f) of the Order are not applicable to the Company.
- (x)
- (a) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not raised monies by way debt instruments during the year. Also, the Company has not raised any money by way of initial public offer or further public offer.
 - (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi)
- (a) According to the information and explanations given to us and based on the audit procedures performed by us, we report that no fraud by the Company has been noticed or reported during the year. However, during the year 23 instances of frauds aggregating Rs. 275.75 lakhs have been committed on the Company by its customers/borrowers which have been reported to NHB. (Refer Note 56 to the Notes to Accounts)
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) According to the information and explanation given to us, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph (xii)(a), (b) and (c) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on the audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards. (Refer to Note no. 41 in the Notes to Accounts)
- (xiv)
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered the internal audit reports for the year under audit.
- (xv) According to the information and explanation given to us and based on the audit procedures performed by us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

- (xvi)
- (a) The Company has obtained registration under Section 29A of the National Housing Bank (“NHB”) Act, 1987.
 - (b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not conducted any Housing Finance activities without a valid Certificate of Registration (COR) from the NHB as per the NHB Act, 1987. Hence reporting under paragraph 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under paragraph 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us, none of the group companies are CIC and hence reporting under paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on paragraph 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company’s capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)
- (a) In respect of other than ongoing projects in connection with Corporate Social Responsibility (CSR) obligations, there are no unspent amounts that are required to be transferred to a fund as specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note no. 34.2 to the financial statements.
 - (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note no. 34.2 to the financial statements.
- (xxi) The preparation of consolidated financial statements is not applicable to the Company. Hence reporting under paragraph (xxi) of the Order is not applicable to the Company.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration: 302137E)

Tushar Kandoi
Partner.
Membership No. 136229

UDIN: 24136229BKDIQE3470

Place: Mumbai
Date: May 02, 2024

Annexure B to the Independent Auditor's Report

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

[Referred to in para 2(f) of the heading 'Report on other legal and regulatory requirements' of our report]

Opinion

We have audited the internal financial controls over financial reporting of Centrum Housing Finance Limited ('the Company') as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year then ended.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) 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 authorizations of

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For Chaturvedi & Co.

Chartered Accountants

(Firm Registration: 302137E)

Tushar Kandoi

Partner.

Membership No. 136229

UDIN: 24136229BKDIQE3470

Place: Mumbai

Date: May 02, 2024

Centrum Housing Finance Limited				(₹ in lakh)
Balance sheet as at March 31, 2024				
Particulars	Note	As at		
		31-Mar-24	31-Mar-23	
		(Audited)	(Audited)	
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	5	2,632.60	3,773.58	
(b) Bank balance other than (a) above	6	1,509.12	2,538.65	
(c) Loans	7	1,39,550.94	1,11,730.00	
(d) Investments	8	0.00	542.78	
(e) Other financial assets	9	1,733.58	972.26	
(2) Non-financial assets				
(a) Current tax assets (Net)	10	144.42	219.15	
(b) Goodwill		983.75	382.25	
(c) Deferred tax assets (Net)	11	166.04	-	
(d) Property, plant and equipment	13	311.64	371.88	
(e) Right of use of assets	14	91.62	48.23	
(f) Other non-financial assets	12	755.83	544.37	
(g) Assets held for sale	12.2	1,060.57	851.62	
Total Assets		1,48,940.11	1,21,974.77	
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	375.10	183.70	
(b) Debt securities	16	-	3,500.00	
(c) Borrowings (other than debt securities)	17	94,269.12	67,900.33	
(d) Lease liabilities	21	90.63	48.57	
(e) Other financial liabilities	20	8,526.93	6,550.24	
(2) Non-financial Liabilities				
(a) Current tax liabilities (net)	24	-	-	
(b) Other non-financial liabilities	23	88.73	133.21	
(c) Provisions	22	104.87	138.57	
(d) Deferred tax liabilities (net)	11	-	373.87	
(3) Equity				
(a) Equity Share capital	25	26,686.84	26,686.84	
(b) Other Equity	25.1	18,797.89	16,459.44	
Total Equity		45,484.73	43,146.28	
Total Liabilities and Equity		1,48,940.11	1,21,974.77	

The accompanying notes are an integral part of the financial statement
As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

For and on behalf of The Board of Centrum Housing Finance Limited

Tushar Kandoi
Partner
Membership No 136229

Sridar Venkatesan
Chairman
DIN 02241339

Sanjay Shukla
Managing Director & CEO
DIN 06577462

Place : Mumbai
Date : May 02, 2024

Mehul Jatania
Chief Financial Officer

Mayank Jain
Company Secretary
Membership No- A31435

Centrum Housing Finance Limited

Statement of Profit and Loss for the period ended March 31, 2024

(₹ in lakh)

	Particulars	Note	Year ended	
			31-Mar-24	31-Mar-23
			(Audited)	(Audited)
(1)	Revenue from operations			
(a)	Interest income	26	16,849.64	8,990.94
(b)	Fees income	27	297.76	203.25
(c)	Net gain on Fair value changes	28	22.10	75.90
(d)	Gain on derecognition of financial instruments under amortised cost category	29	319.18	-
	Total revenue from operations (a)+(b)+(c)		17,488.68	9,270.09
(2)	Other income	30	664.56	206.04
(3)	Total income (3) = (1) + (2)		18,153.24	9,476.13
(4)	Expenses			
(a)	Finance costs	31	8,706.10	3,358.63
(b)	Impairment on financial instruments	32	1,030.70	-110.54
(c)	Employee benefits expenses	33	3,512.28	2,457.10
(d)	Depreciation, amortisation and impairment		160.17	168.15
(e)	Others expenses	34	3,017.43	2,366.31
	Total expenses (a)+(b)+(c)+(d)+(e)		16,426.68	8,239.65
(5)	Profit before exceptional Items and tax (3) - (4)		1,726.56	1,236.48
(6)	Exceptional Items		-	-
(7)	Profit before tax (5)-(6)		1,726.56	1,236.48
(8)	Income tax expense:	35		
(a)	- Current tax		176.46	193.08
(b)	- Tax expense for earlier years		32.03	-
(c)	- Deferred tax		(540.08)	(149.60)
	Total tax expense (a)+(b)+(c)		(331.59)	43.48
(9)	Profit after tax (7) - (8)		2,058.15	1,193.00
(10)	Other comprehensive income			
(a)	Items that will not be reclassified to profit or loss			
	- Change in fair value of FVOCI instrument			
	- Remeasurements gain/(loss) on defined benefit Plans		0.68	(1.57)
	- Income tax relating to these items		0.17	0.40
	Other comprehensive income (a)+(b)		0.51	(1.17)
(11)	Total comprehensive income (9) + (10)		2,058.68	1,191.83
(12)	Earnings per equity share (Face value Rs 10 each)			
	- Basic (Rs.)		0.771	0.447
	- Diluted (Rs.)		0.734	0.431

The accompanying notes are an integral part of the consolidated financial statement
As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants

ICAI Firm Registration No. 302137E

For and on behalf of The Board of Centrum Housing Finance Limited

Tushar Kandoi
Partner
Membership No 136229

Sridar Venkatesan
Chairman
DIN 02241339

Sanjay Shukla
Managing Director & CEO
DIN 06577462

Place : Mumbai
Date : May 02, 2024

Mehul Jatania
Chief Financial Officer

Mayank Jain
Company Secretary
Membership No- A31435

Centrum Housing Finance Limited			
Statement of cash flow for the period ended March 31, 2024		(₹ in lakh)	
Particulars	Note	Period ended	
		31-Mar-24 (Audited)	31-Mar-23 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		1,726.58	1,236.47
Adjustments for :		-	-
Depreciation and amortisation		160.17	168.15
Loss/(profit) on sale of investments		(22.10)	(75.90)
Impairment on financials instruments (ECL)		343.96	632.04
Employee stock option Scheme		310.11	223.99
		792.14	948.28
Adjustments for :		-	-
(Increase) in trade receivables		-	-
(Increase) / Decrease in financial asset		(27,124.36)	(21,832.53)
(Increase) / Decrease in Other financial asset		(761.32)	(237.63)
(Increase) / Decrease in Assets held for sale		(219.94)	(533.12)
(Increase) / Decrease in Non financial asset		(211.47)	(30.37)
Increase in Trade payables		191.40	148.06
Increase /(Decrease) in Other financial liabilities		1,976.68	3,210.72
Increase / (Decrease) in Provisions		(33.69)	85.94
Increase /(Decrease) in Non financial liabilities		(44.48)	88.32
Cash used in operations		(26,227.18)	(19,100.61)
Taxes paid (net off refunds)		120.29	(291.19)
Net Cash Used In Operating Activities (A)		(23,588.17)	(17,207.05)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment (Including capital work in progress and capital advance)		(37.26)	(312.31)
Purchase of investment property		-	-
Proceeds from sale of property, plant & equipment		23.34	-
Interest received from ICDs		-	-
Purchase payment of Business Combination		(875.00)	(12,625.00)
Purchase of mutual fund units		(11,399.43)	-
Sale proceeds from mutual fund units		11,942.21	2,428.01
ICDs given		-	-
ICDs taken		-	-
Net Cash Used In Investing Activities (B)		(346.14)	(10,509.30)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of shares (including Security premium)- Net		-	-
Proceeds from Issue of Compulsory Convertible Debentures		-	-
Interest Paid toward ICDs		-	-
Proceeds from Debt securities		-	-
Lease payments		(75.46)	(87.49)
ICDs made		-	-
Maturity of ICDs		-	-
Proceeds from Borrowings		47,950.00	40,300.00
Repayment of Borrowings		(21,581.21)	(11,370.56)
Repayment of Debt Securities		(3,500.00)	-
Dividend Paid (Including Dividend Distribution Tax)		-	-
Net Cash Generated From Financing Activities (C)		22,793.33	28,841.95
Cash acquired through business combination (D)		-	1,454.68
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C+D)		(1,140.99)	2,580.26
Cash And Cash Equivalents As At The Beginning Of The Year		3,773.58	1,193.32
Cash And Cash Equivalents As At The End Of The Year		2,632.60	3,773.58

The accompanying notes are an integral part of the consolidated financial statement
As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

For and on behalf of The Board of Centrum Housing Finance Limited

Tushar Kandoi
Partner
Membership No 136229

Sridar Venkatesan
Chairman
DIN 02241339

Sanjay Shukla
Managing Director & CEO
DIN 06577462

Place : Mumbai
Date : May 02, 2024

Mehul Jatania
Chief Financial Officer

Mayank Jain
Company Secretary
Membership No- A31435

Centrum Housing Finance Limited

Statement of changes in equity

(a) Equity Share Capital

(₹ in lakh)

Particulars	Outstanding as on March 31, 2023	Issued during the year	Outstanding as on December 31, 2023	Issued during the year	Outstanding as on March 31, 2024
Issued, Subscribed and paid up (Equity shares of Rs. 10 each)	26,686.84	-	26,686.84	-	26,686.84
Total	26,686.84	-	26,686.84	-	26,686.84

(b) Other equity

(₹ in lakh)

Particulars	Reserves and surplus				Employee stock option reserve	Deemed Capital Contribution	Total other equity
	Statutory reserve created under section 29C of the National Housing Bank Act, 1987	Special Reserve Created under of Section 36(1)(viii) of the Income Tax Act, 1961 read with Section 29C of National Housing Bank Act, 1987	Securities Premium	Retained Earnings			
As at March 31, 2022	39.93	559.19	11,827.63	2,108.83	343.83	96.48	14,975.89
Profit for the year	-	-	-	1,192.99	-	-	1,192.99
Dividends	-	-	-	-	-	-	-
Employee Stock Option	-	-	-	-	224.07	-	224.07
Financial Guarantee	-	-	-	61.83	-	5.84	67.67
Other comprehensive income	-	-	-	-1.18	-	-	-1.18
Issue of equity instrument	-	-	-	-	-	-	-
Less-Share issue expenses	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,253.64	224.07	5.84	1,483.55
Transfer to Statutory Reserve	10.00	-	-	-10.00	-	-	-
Transfer to Special Reserve	-	228.60	-	-228.60	-	-	-
As at March 31, 2023	49.93	787.79	11,827.63	3,123.87	567.90	102.32	16,459.44
Profit for the year	-	-	-	2,058.17	-	-	2,058.17
Dividends	-	-	-	-	-	-	-
Employee Stock Option	-	-	-	28.31	281.80	-	310.11
Financial Guarantee	-	-	-	-	-	-30.33	-30.33
Other comprehensive income	-	-	-	0.51	-	-	0.51
Issue of equity instrument	-	-	-	-	-	-	-
Less-Share issue expenses	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,086.98	281.80	-30.33	2,338.45
Transfer to Statutory Reserve	123.70	-	-	-123.70	-	-	-
Transfer to Special Reserve	-	287.93	-	-287.93	-	-	-
As at March 31, 2024	173.64	1,075.72	11,827.63	4,799.22	849.70	71.99	18,797.89

The accompanying notes are an integral part of the consolidated financial statement
As per our report of even date attached.

For Chaturvedi & Co.

Chartered Accountants

ICAI Firm Registration No. 302137E

Tushar Kandoi

Partner

Membership No 136229

Sridar Venkatesan

Chairman

DIN 02241339

Mehul Jatania

Chief Financial Officer

For and on behalf of The Board of Centrum Housing Finance Limited

Sanjay Shukla

Managing Director & CEO

DIN 06577462

Mayank Jain

Company Secretary

Membership No- A31435

Place : Mumbai

Date : May 02, 2024

1. **Corporate Information:**

Centrum Housing Finance Limited (“the Company”) was incorporated on March 03, 2016 under the provisions of Companies Act 2013. The Company has received certificate of registration, under Section 29A of the National Housing Bank (NHB) Act, 1987 from the NHB on November 10, 2016 to carry on the business of a housing finance institution without accepting public deposits. The Company is a subsidiary of Centrum Capital Limited.

The main objects of the Company, *inter alia*, are to carry on the business of making loans and advances, providing financial and consultancy services to manage, invest in, acquire, and hold, sale, buy, or otherwise to deal in houses, apartments, flats, real estate and building of all descriptions.

2. **Basis of preparation:**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the “Act”).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value at the end of each reporting period as explained in the accounting policies below. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest rupee except when otherwise indicated.

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank (“NHB”) to the extent applicable.

2.1 **Presentation of financial statements:**

The Company presents its balance sheet in order of liquidity in compliance with Division III of the Schedule III to the Act. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in ‘Note No. 39 Maturity Analysis of assets and liabilities’

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and or its counterparties

3. **Material Accounting Policies:**

3.1 **Recognition of Interest income and Fees income:**

3.1.1 **Effective Interest Rate (EIR):**

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate a shorter period to the net carrying amount of financial instrument.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle including prepayments penalty interest and charges.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

3.1.2 **Interest Income:**

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Default Interest income on delayed EMI / pre EMI is recognised on receipt basis.

3.1.3 **Fees Income:**

Fees income, pertains to login fee collected by the Company at the time of receiving the application for loan.

3.2 **Financial Instruments:**

3.2.1 **Date of recognition:**

Financial assets and liabilities with exception of loans and borrowings are initially recognized on the trade date, i.e., the date the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account or cheques are issued to the customer. The Company recognises borrowings when funds are available for utilisation to the Company.

3.2.2 Initial measurement of financial instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit and loss account.

3.2.3 Classification and Measurement categories of financial assets and liabilities:

The Company classifies all of its financial assets based on the business model for managing the assets and the assets' contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

By default, all other financial assets are subsequently measured at FVTPL

Financial assets carried at amortised cost (AC):

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

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

A financial asset is measured at FVTOCI if it is held within a business model whose objective is

achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets are recognised in Other Comprehensive Income.

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

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets are recognised in profit and loss account.

3.3 Financial Assets and Liabilities:

3.3.1 Financial assets held for trading:

The Company classifies financial assets as held for trading when they have been purchased primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which their evidence of a recent pattern of short-term profit is taking. Held-for-trading assets are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes.

3.3.2 Debt securities and other borrowed funds:

The Company measures debt issued and other borrowed funds at Amortised cost at each reporting date. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

3.3.3 Financial Guarantee:

Financial guarantees are contract that requires the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

3.3.4 Loan Commitments:

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer over the duration of the commitment. Undrawn loan commitments (Loan sanctioned and partially disbursed) are in the scope of the ECL requirements.

3.4 Reclassification of Financial assets and liabilities:

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The Company didn't reclassify any of its financial assets or liabilities in current year and previous year.

3.5 Derecognition of financial instruments:

3.5.1 Derecognition of financial asset:

A financial asset (or, where applicable a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive contractual cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either

- the Company has transferred the rights to receive cash flows from the financial asset; or
- it retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party.

A transfer only qualifies for derecognition if either:

- the Company has transferred substantially all the risks and rewards of the asset; or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

The Company also derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.5.2 Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets:

The Company records provisions based on expected credit loss model (“ECL”) on all loans, other financial assets not measured at FVTPL together with undrawn loan commitment and financial guarantee contracts, in this section all referred to as “Financial instrument”. Equity

instruments are not subject to impairment.

ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR. Because ECL considers the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Simplified Approach:

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. 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 portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of receivables.

General Approach:

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

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default (PD), loss given default (LGD) (i.e., the magnitude of the loss if there is a default), and the exposure at default (EAD). The assessment of the probability of default (PD) and loss given default (LGD) is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the customers, and other relevant forward-looking information.

The Company categories its financial assets as follows:

Stage 1:

Stage 1 assets include financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL allowances are recognised.

Stage 2:

Stage 2 assets include financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL allowances are recognised.

Stage 3:

Stage 3 assets are considered credit-impaired and the Company recognises the lifetime ECL allowances for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100% & 80% depending on risk.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The ECL on the loan commitment are recognised together with the loss allowance for the financial asset.

3.7 Collateral Valuation:

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodic basis.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market value are valued using models.

3.8 Collateral Repossession/ Asset Held for sale:

To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Housing Finance Company (HFC) under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002. In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but generally initiates action to recover the funds at auctions to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and are treated as assets held for sale at (i) fair value or (ii) carrying value, whichever is less, at the repossession date.

3.9 Write-Offs:

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. The authority of write-offs is vested with the management of the Company.

Any subsequent recoveries are credited to Statement of profit and loss account. The Company has a Board approved Collection and Recovery policy in which authority for write-off and one time settlements of loans are given.

3.10 **Determination of Fair Value:**

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.

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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data points are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments:

Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments:

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available.

Level 3 financial instruments:

Those that include one or more unobservable inputs that are significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3.11 **Leases:**

The Company as a lessee:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

3.12 **Earnings per Share:**

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

3.13 Retirement and other employee benefits:

3.13.1 Provident fund and national pension scheme:

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

3.13.2 Gratuity:

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

3.13.3 Compensated Absences:

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

3.13.4 Share-based payment arrangements:

Equity-settled share-based payments to employees that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.14 Property, plant and equipment:

Property plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a straight line method basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Nature of assets	Estimated useful lives
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease whichever is earlier.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss account.

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

3.15 Intangible Assets:

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.

3.16 Impairment of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

3.17 Provisions and other contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the

obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessment of the time value of money and, where appropriate, the risk specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.18 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

Time deposits held with bank, with original maturity of more than three months is a part of bank balance other than cash and cash equivalents.

For the purpose of the statement of cash flow, cash and cash equivalents consists of cash at banks and on hand and short term deposits.

3.19 Income tax expenses:

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

3.19.1 Current tax:

The tax currently payable is based on taxable profit for the year. 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. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.19.2 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.

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.

3.19.3 Current and Deferred tax for the year:

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.

4. Significant accounting judgements, estimates and assumptions:

The preparation of these financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are included are given below:

4.1 Business model assessment:

The Company determines the business model at a level that reflects how the financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

4.2 Significant increase in credit risk:

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

4.3 Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.4 Fair value of financial instruments:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions based on market conditions existing at the end of each reporting period. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk, funding value adjustments, correlation and volatility.

4.5 Use of estimates:

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by an independent expert appointed by the Company. The values have been assessed based on the technical estimates of useful lives of tangible assets. Other assets and liabilities were recorded at values these were expected to be realized or settled respectively.

Business combinations:

The acquisition method of accounting is used to account for all business combinations related to acquisitions, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition is measured at

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

4.6 Effective Interest Rate (EIR) Method:

The Company's EIR methodology, as explained in Note 3.1.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behavior and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument

4.7 Impairment of Financial assets:

The impairment provisions for the financial assets are based on assumptions about estimation of the amount and timing of future cash flows, collateral values, assessment of a significant increase in credit risk, probability of default (PD) and Loss given default (LGD) rates. The Company uses judgements in making these assumptions and selecting the inputs for impairment calculations based on its past history, existing market conditions and forward looking estimates at the end of each period.

The Company's expected credit loss (ECL) calculations are output of model with number of underlying assumptions regarding choice of variable inputs and their interdependencies Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades based on ageing.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time ECL basis and the qualitative assessment.
- Development of ECL models, including the various formulas and the choice of inputs, determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.8 Impairment of Non-Financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indications exist, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.9 Provisions and contingent liabilities:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

4.10 Provisions for Income Taxes:

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4.11 Standards issued but not effective:

There are no standards that are issued but not yet effective on March 31, 2024.

4.12 Changes in accounting estimates during the year:

(₹ in lakh)

Estimate	Line Items	Amount Gain/ (Loss)
EIR on Loans and Advances	Interest Income	252.65
DSA Cost Amortisation	Loan Origination Cost	33.10

**Impact is given at the time of change of estimate.*

Post change impact of above estimate changes were not ascertainable.

5. Cash and cash equivalents

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Cash on hand	16.58	68.77
Balances with banks:		
In current accounts	1,713.11	2,104.49
In deposit accounts with original maturity less than 3 months (including interest accrued)	902.90	1,600.32
Total	2,632.59	3,773.58

6. Bank balance other than cash and cash equivalents

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Balances with banks:		
In deposit accounts		
Fixed deposits with Banks (including interest accrued)*	1,509.12	2,538.65
Total	1,509.12	2,538.65

* This includes fixed deposit amounting ₹. 1,200.00 lakh towards bank guarantee given to National Housing Bank for the refinance facility availed.

Notes to Financial Statements for year ended March 31, 2024

7. Loans

(₹ in lakh)

Particulars	As at						As at					
	March 31, 2024						March 31, 2023					
	Amortised cost	At Fair Value			Sub-total	Total	Amortised cost	At Fair Value			Sub-total	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
At amortised cost												
Term loans (secured)												
Housing Loans	1,07,049.30	-	-	-	-	1,07,049.30	84,258.12	-	-	-	-	84,258.12
Non Housing Loans	34,426.53	-	-	-	-	34,426.53	29,063.82	-	-	-	-	29,063.82
Total (A) – Gross	1,41,475.83	-	-	-	-	1,41,475.83	1,13,321.94	-	-	-	-	1,13,321.94
(Less): Impairment loss allowance (expected credit loss)	(1,924.89)	-	-	-	-	(1,924.89)	(1,591.94)	-	-	-	-	(1,591.94)
Total (A) – Net	1,39,550.94	-	-	-	-	1,39,550.94	1,11,730.00	-	-	-	-	1,11,730.00
Secured by property, plant and equipment	1,41,475.83	-	-	-	-	1,41,475.83	1,13,321.94	-	-	-	-	1,13,321.94
Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Covered by bank/government guarantees	-	-	-	-	-	-	-	-	-	-	-	-

Notes to Financial Statements for year ended March 31, 2024

Particulars	As at						As at					
	March 31, 2024						March 31, 2023					
	Amortised cost	At Fair Value			Sub-total	Total	Amortised cost	At Fair Value			Sub-total	Total
Through Other Comprehensive Income		Through profit or loss	Designated at fair value through profit or loss	Through Other Comprehensive Income				Through profit or loss	Designated at fair value through profit or loss			
Unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Total (B) – Gross	1,41,475.83	-	-	-	-	1,41,475.83	1,13,321.94	-	-	-	-	1,13,321.94
(Less): Impairment loss allowance	(1,924.89)	-	-	-	-	(1,924.89)	(1,591.94)	-	-	-	-	(1,591.94)
Total (B) – Net	1,39,550.94	-	-	-	-	1,39,550.94	1,11,730.00	-	-	-	-	1,11,730.00
(I) Loans in India	-	-	-	-	-	-	-	-	-	-	-	-
- Public sector	-	-	-	-	-	-	-	-	-	-	-	-
- Others	1,41,475.83	-	-	-	-	1,41,475.83	1,13,321.94	-	-	-	-	1,13,321.94
Total (C) (I) – Gross	1,41,475.83	-	-	-	-	1,41,475.83	1,13,321.94	-	-	-	-	1,13,321.94
(Less): Impairment loss allowance	(1,924.89)	-	-	-	-	(1,924.89)	(1,591.94)	-	-	-	-	(1,591.94)
Total (C) (I) – Net	1,39,550.94	-	-	-	-	1,39,550.94	1,11,730.00	-	-	-	-	1,11,730.00
(II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
(Less): Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) – Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (I) and (II)	1,39,550.94	-	-	-	-	1,39,550.94	1,11,730.00	-	-	-	-	1,11,730.00

Note- No loans or advances in the nature of loans are outstanding to promoters, directors, key managerial personnel (KMPs) and related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.

Notes to Financial Statements for year ended March 31, 2024

- 7.1 The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in table 7.2

(₹ in lakh)

Particulars	As at March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount as at April 1, 2023	1,06,246.58	4,729.83	3,039.34	1,14,015.75
New assets originated or purchased	49,827.83	885.24	160.35	50,873.42
Assets derecognised or repaid	(18,531.17)	(1,633.08)	(1,988.38)	(22,152.63)
Transfers from stage 1	(7,493.65)	5,512.28	1,981.37	-
Transfers from stage 2	1,080.99	(1,775.58)	694.59	-
Transfers from stage 3	322.87	66.48	(389.35)	-
Amounts written off	(31.33)	(4.64)	(70.16)	(106.13)
Gross carrying amount as at March 31, 2024	1,31,422.12	7,780.53	3,427.76	1,42,630.41

Note: Includes stage wise closing value of loans acquired through Direct Assignment. For details refer Note No. 49.

(₹ in lakh)

Particulars	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount as at April 1, 2022	53,864.32	2,640.42	1,549.54	58,054.28
New assets originated or purchased	61,988.14	3,174.51	2,091.83	67,254.48
Assets derecognised or repaid	(9,551.58)	(1,075.83)	55.68	(10,571.73)
Transfers from stage 1	(1,396.97)	928.16	468.81	-
Transfers from stage 2	1,110.87	(1,637.84)	526.97	-
Transfers from stage 3	104.92	17.73	(122.65)	-
Amounts written off	(54.3)	(9.27)	(657.71)	(721.28)
Gross carrying amount as at March 31, 2023	1,06,246.58	4,729.83	3,039.34	1,14,015.75

Note: Includes stage wise closing value of loans acquired through Business Combination and Direct Assignment.

- 7.2 The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(₹ in lakh)

Particulars	As at March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
ECL allowance as at April 01, 2023	440.72	236.08	915.14	1,591.94
New assets originated or purchased	151.65	87.45	42.59	281.69
Assets derecognised or repaid	705.04	29.75	(577.40)	157.39
Transfers from stage 1	(850.01)	303.18	546.83	-
Transfers from stage 2	9.78	(216.50)	206.72	-
Transfers from stage 3	8.60	2.28	(10.88)	-
Amounts written off	(31.33)	(4.64)	(70.16)	(106.13)
ECL allowance as at March 31, 2024	434.45	437.60	1,052.84	1,924.89

Notes to Financial Statements for year ended March 31, 2024

(₹ in lakh)

Particulars	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
ECL allowance as at April 01, 2022	293.7	70.51	595.69	959.9
New assets originated or purchased	560.09	115.83	923.19	1599.11
Assets derecognised or repaid	(358.77)	59.01	53.97	(245.79)
Transfers from stage 1	(175.22)	71.04	104.18	-
Transfers from stage 2	7.80	(138.52)	130.72	-
Transfers from stage 3	(37.82)	(5.49)	43.31	-
Amounts written off	(54.3)	(9.27)	(657.71)	(721.28)
ECL allowance as at March 31, 2023	440.72	236.08	915.14	1,591.94

Notes to Financial Statements for year ended March 31, 2024

8. Investment

(₹ in lakh)

Particulars	As at						As at					
	March 31, 2024						March 31, 2023					
	Amortised cost	At Fair Value			Sub-total	Total	Amortised cost	At Fair Value			Sub-total	Total
Through Other Comprehensive Income		Through profit or loss	Designated at fair value through profit or loss	Through Other Comprehensive Income				Through profit or loss	Designated at fair value through profit or loss			
Investment in ICICI Mutual fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment in SBI Mutual fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Aditya Birla Sun Life Mutual Fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment in HDFC Mutual fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment in UTI Mutual Fund	-	-	-	-	-	-	-	-	542.78	-	542.78	542.78
Total (A) – Gross	-	-	-	-	-	-	-	-	542.78	-	542.78	542.78
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	-	-	-	-	-	-	-	-	542.78	-	542.78	542.78
Total (B) – Gross	-	-	-	-	-	-	-	-	542.78	-	542.78	542.78
(Less): Impairment loss allowance (expected credit loss) (C)	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net (D) = (A) - (C)	-	-	-	-	-	-	-	-	542.78	-	542.78	542.78

Notes to Financial Statements for year ended March 31, 2024

9. Other financial assets

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Security deposits	252.13	271.26
EIS receivable	266.20	-
Interest accrued but not due on loans	1,154.57	693.81
Others	60.68	7.19
Total	1,733.58	972.26

10. Current tax assets (net)

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Advance tax (Net of Provision)	144.42	219.15
Total	144.42	219.15

11. Deferred tax (net)

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<u>Deferred tax liabilities</u>		
Unamortised Loan origination cost	25.96	58.46
Fair value of investments	-	19.92
Fair Value of loans	507.48	831.69
EIS Receivable	67.00	-
Right of Use	23.06	12.14
Total deferred tax liabilities (A)	623.50	922.21
<u>Deferred tax assets</u>		
Depreciation on PPE	25.02	9.73
Provision for employee benefits	26.40	34.48
Expected credit loss	320.15	212.04
Fair valuation of financial instruments - Net	-	0.02
Lease Liability	22.81	12.22
Unamortised Processing Fees- EIR on lending	395.17	279.86
Total deferred tax assets (B)	789.55	548.35
Opening DTL/(DTA)	373.86	(307.83)
Fair Value of loans	-	831.69
Closing DTL/(DTA)	(166.05)	373.86
Charged to PL	539.91	150.00

Notes to Financial Statements for year ended March 31, 2024

12. Other non-financial assets

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Unamortised expenses: Loan acquisition cost	103.15	62.48
Prepaid expenses	45.69	23.74
Other Advance (Refer note- 12.1)	237.09	109.43
Balance with Government Authorities	369.48	339.51
Insurance advance	0.42	9.22
Assets held for sale (Refer note- 12.2)	1,060.57	851.62
Total	1,816.40	1,396.00

12.1 Other advance

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	237.09	109.43
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	-	-
Total	237.09	109.43

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Other Advance	233.70	3.39	-	-	-	237.09

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Other Advance	17.67	28.47	63.29*	-	-	109.43

* includes other advance acquired through Business Combination.

12.2 Assets held for sale

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Gross amount	1,116.39	896.44
Less: Impairment loss allowance (unrealized)	55.82	44.82
Net amount	1,060.57	851.62

Notes to Financial Statements for year ended March 31, 2024

13. Property, plant and equipment

(₹ in lakh)

Particulars	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Gross carrying amount					
Gross carrying amount as at April 01, 2022	6.36	118.06	119.13	145.10	388.66
Additions	79.07	161.35	151.37	57.04	448.83
Disposals and transfers	-	-	-	-	-
Gross carrying amount as at March 31, 2023	85.43	279.41	270.50	202.14	837.49
Accumulated depreciation as at April 01, 2022	2.38	75.45	45.15	56.11	179.09
Depreciation charged	59.28	91.04	60.44	16.61	227.36
Disposals and transfers	2.40	26.72	10.46	19.58	59.16
Accumulated depreciation as at March 31, 2023	64.05	193.21	116.04	92.30	465.61
Net carrying amount as at March 31, 2023	21.38	86.20	154.46	109.84	371.88
Gross carrying amount as at April 01, 2023	85.43	279.41	270.50	202.14	837.49
Additions	4.54	21.96	10.76	-	37.26
Disposals and transfers	-2.92	-0.07	-5.37	-14.97	-23.34
Gross carrying amount as at March 31, 2024	87.05	301.30	275.89	187.17	851.41
Accumulated depreciation as at April 01, 2023	64.05	193.21	116.04	92.30	465.61
Adjustment	-	-	-	-	-
Depreciation charged	6.11	41.68	19.82	23.36	90.97
Disposals and transfers	-2.83	-0.07	-3.91	-9.99	-16.80
Accumulated depreciation as at March 31, 2024	67.34	234.82	131.95	105.67	539.78
Net carrying amount as at March 31, 2024	19.72	66.48	143.94	81.50	311.64

14. Right of use

(₹ in lakh)

	Office premises	Total
Gross carrying amount		
Deemed cost as at April 1, 2022	342.51	342.51
Additions	74.99	74.99
Disposals and transfers	-	-
Closing gross carrying amount	417.50	417.50
Accumulated depreciation	293.69	293.69
Depreciation charged	75.58	75.58
Disposals and transfers	-	-
Closing accumulated depreciation	369.27	369.27

Notes to Financial Statements for year ended March 31, 2024

Gross carrying amount	Office premises	Total
Net carrying amount as at March 31, 2023	48.23	48.23
Gross carrying amount		
Deemed cost as at April 1, 2023	417.50	417.50
Additions	112.59	112.59
Disposals and transfers	-	-
Closing gross carrying amount	530.09	530.09
Accumulated depreciation	369.27	369.27
Depreciation charged	69.20	69.20
Disposals and transfers	-	-
Closing accumulated depreciation	438.47	438.47
Net carrying amount as at March 31, 2024	91.62	91.62

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in the statement of profit and loss. The rate considered for calculation of lease liability is 10%.

15. Trade Payables

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 15.1)	375.10	183.70
Total	375.10	183.70

15.1

(₹ in lakh)

Total outstanding dues of creditors other than micro enterprises and small enterprises	As at	As at
	March 31, 2024	March 31, 2023
Disputed	-	-
Undisputed	375.10	183.70

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Trade Payables	77.15	297.95	-	-	-	375.10

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Trade Payables	6.64	56.26	-	-	120.80	183.70

Notes to Financial Statements for year ended March 31, 2024

16. Debt securities

(₹ in lakh)

Particulars	As at				As at			
	March 31, 2024				March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
Non-Convertible Debentures (Secured)	-	-	-	-	3,500.00	-	-	3,500.00
Total (A)	-	-	-	-	3,500.00	-	-	3,500.00
Debt securities in India	-	-	-	-	3,500.00	-	-	3,500.00
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	-	-	-	-	3,500.00	-	-	3,500.00

17. Borrowings (other than debt securities)

(₹ in lakh)

Particulars	As at				As at			
	March 31, 2024				March 31, 2023			
	Amortised cost	At FVTPL	Designated at FVTPL	Total	Amortised cost	At FVTPL	Designated at FVTPL	Total
Term loan (secured)								
- From banks	51,265.44	-	-	51,265.44	42,796.24	-	-	42,796.24
- Refinance (secured) From NHB	23,179.38	-	-	23,179.38	11,306.61	-	-	11,306.61
- From Others	19,324.30	-	-	19,324.30	13,497.48	-	-	13,497.48
- Cash credit from Banks	500.00	-	-	500.00	300.00	-	-	300.00
Total (A)	94,269.12	-	-	94,269.12	67,900.33	-	-	67,900.33
Borrowings in India	94,269.12	-	-	94,269.12	67,900.33	-	-	67,900.33

Notes to Financial Statements for year ended March 31, 2024

Particulars	As at				As at			
	March 31, 2024				March 31, 2023			
	Amortised cost	At FVTPL	Designated at FVTPL	Total	Amortised cost	At FVTPL	Designated at FVTPL	Total
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	94,269.12	-	-	94,269.12	67,900.33	-	-	67,900.33

18. **Details of loan taken from Banks and other parties:**

Nature of security and terms of repayment for secured borrowings (other than debentures): All secured long term borrowings are secured by way of hypothecation of receivables, i.e., loans and advances. Some of the borrowing are secured by corporate guarantee from the ultimate holding company and/or holding company.

a. **Term loans (secured) - From banks:**

(₹ in lakh)

Tenure	Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
Long term borrowing				
Above 60 Months	9.50% to 12.00%	Monthly and Quarterly	3,416.30	2,656.08
48-60 months	9.50% to 12.00%	Monthly and Quarterly	3,694.04	5,066.30
36-48 months	9.50% to 12.00%	Monthly and Quarterly	8,894.48	7,585.21
24-36 months	9.50% to 12.00%	Monthly and Quarterly	11,478.28	7,585.80
12-24 months	9.50% to 12.00%	Monthly and Quarterly	11,478.28	8,929.89
Short term borrowing				
upto 12 months	9.50% to 12.00%	Monthly and Quarterly	12,813.05	11,345.61
Total			51,774.63	43,168.90
Less: Effective interest rate amortisation			508.99	372.67
Total			51,265.44	42,796.24

b. **Refinance (Secured) - From NHB:**

(₹ in lakh)

Tenure	Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
Long term borrowing				
60-84 months	2.90% to 8.70%	Quarterly	5,156.33	2,679.95
48-60 months	2.90% to 8.70%	Quarterly	3,309.49	1,351.05
36-48 months	2.90% to 8.70%	Quarterly	3,381.69	1,554.38
24-36 months	2.90% to 8.70%	Quarterly	3,597.39	1,633.84
12-24 months	2.90% to 8.70%	Quarterly	3,676.85	2,043.84

Notes to Financial Statements for year ended March 31, 2024

Short term borrowing				
upto 12 months	2.90% to 8.70%	Quarterly	4,086.85	2,057.84
Total			23,208.59	11,320.90
Less: Effective interest rate amortisation			29.21	14.29
Total			23,179.38	11,306.61

c. From Others:

Tenure	Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
Long term borrowing				
Above 60 Months	9.50% to 12.00%	Monthly	2,550.39	2,129.16
48-60 months	9.50% to 12.00%	Monthly	2,514.03	2,307.21
36-48 months	9.50% to 12.00%	Monthly	3,041.98	2,255.78
24-36 months	9.50% to 12.00%	Monthly	3,411.56	2,053.28
12-24 months	9.50% to 12.00%	Monthly	4,026.22	2,401.94
Short term borrowing				
upto 12 months	9.50% to 12.00%	Monthly	3,855.94	2,397.91
Total			19,400.12	13,545.28
Less: Effective interest rate amortisation			75.82	47.80
Total			19,324.30	13,497.48

d. Cash credit from Banks

(₹ in lakh)

Nature	Rate of Interest	Repayment Details	As at March 31, 2024	As at March 31, 2023
Cash credit	9.5% to 12.00%	Repayable on demand	500.00	300.00
Total			500.00	300.00

The Company has not been sanctioned working capital limit in excess of ₹ 500 lakh during the year.

19. Cash Flow disclosure

Change in liabilities arising from financing activities:

(₹ in lakh)

Particulars	As at March 31, 2023	Cash flows	Other	As at March 31, 2024
Debt securities including accrued interest thereon	3,594.11	(3,594.11)	-	-
Borrowings other than debt securities including accrued interest thereon	68,075.57	26,145.53	48.02	94,269.12
Total liabilities from financing activities	71,669.68	22,551.42	48.02	94,269.12

Notes to Financial Statements for year ended March 31, 2024

20. Other financial liabilities

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Interest accrued and due on borrowings*	-	55.48
Interest accrued but not due on borrowings	48.02	213.87
Leave travel allowances	18.24	13.48
Book Overdraft	8,277.97	5,128.13
Others	182.69	1,139.29
Total	8,526.92	6,550.25

* Amount funded but not debited by bank.

21. Lease

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Balance as at beginning	48.57	53.64
Additions	109.78	74.99
Finance cost accrued during the year	7.74	7.59
Deletions	-	-
Payment of lease liabilities	(75.46)	(87.65)
Balance as at end	90.63	48.57

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Maturity pattern of lease

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Less than one year	46.51	47.09
One to five years	44.12	8.33
More than five years	-	-
Total	90.63	55.42

22. Provisions

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Provision for Employee benefits		
- Provision for gratuity	80.05	48.01
- Provision for compensated absences	24.83	27.76
- Others	-	62.80
Total	104.88	138.57

Notes to Financial Statements for year ended March 31, 2024

23. Other non-financial liabilities

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Statutory dues payable	88.73	133.21
Total	88.73	133.21

24. Current tax liability (net)

(₹ in lakh)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Income tax payable	-	-
Total	-	-

25. Equity share capital

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
	Number	₹ in lakh	Number	₹ in lakh
Authorised Capital				
Equity shares of Rs. 10 each	30,00,00,000	30,000.00	30,00,00,000	30,000.00
Issued, subscribed & paid-up Capital				
Issued and Subscribed Equity shares of Rs. 10 each	26,68,68,399	26,686.84	26,68,68,399	26,686.84
Total	26,68,68,399	26,686.84	26,68,68,399	26,686.84

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
	Number	₹ in lakh	Number	₹ in lakh
Outstanding at the beginning of the year	26,68,68,399	26,686.84	26,68,68,399	26,686.84
Addition during the period	-	-	-	-
Shares allotted pursuant to issue of shares under Conversion of Compulsory Convertible Debentures into equity shares	-	-	-	-
Outstanding at the end of the period	26,68,68,399	26,686.84	26,68,68,399	26,686.84

Aggregate number of bonus shares issued and shares bought back during the period of three years immediately preceding the reporting date: **NIL**

Terms and rights attached to equity shares:

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

Notes to Financial Statements for year ended March 31, 2024

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.

Shares of the Company held by the holding/ultimate holding company

Equity shareholders	As at		As at	
	March 31, 2024		March 31, 2023	
	Number	%	Number	%
Centrum Capital Limited	15,04,79,981	56.39%	15,04,79,981	56.39%

Details of shareholders holding more than 5% of the shares in the Company

Equity shareholders	As at		As at	
	March 31, 2024		March 31, 2023	
	Number	%	Number	%
Centrum Capital Limited	15,04,79,981	56.39%	15,04,79,981	56.39%
NHPEA Kamet Holding BV	-	-	6,66,90,413	24.99%
NHPEA V Shelter (BVI) Limited	6,66,90,413	24.99%	-	-
B.G. Advisory Services LLP	-	-	2,02,94,387	7.60%
JBCG Advisory Services Private Limited	4,67,94,387	17.53%	2,65,00,000	9.93%

For the period of five years immediately preceding the date at which the Balance Sheet is prepared:

- Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash: **NIL**
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares: **NIL**
- Aggregate number and class of shares bought back: **NIL**

Change in shareholding of promoters

Shares held by promoters at the end of the year				% Change during the year
S. No	Promoter name	No. of Shares	% of total shares	
1	Centrum Capital Limited	15,04,79,981	56.39%	NIL

25.1 Other Equity

(₹ in lakh)

Particulars	As at	
	March 31, 2024	March 31, 2023
Statutory reserve	173.64	49.93
Special reserve	1,075.72	787.79
Securities premium	11,827.63	11,827.63
Retained earnings	4,799.21	3123.87
Employee stock option reserve	849.70	567.90
Deemed capital contribution	71.99	102.32
Total	18,797.89	16,459.44

Notes to Financial Statements for year ended March 31, 2024

Nature and purpose of reserve

Reserve under section 29C of National Housing Bank Act, 1987

Reserve created under section 29C of National Housing Bank Act, 1987 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

Special reserve

Special reserve has been created over the years in terms of section 36(1)(viii) of the Income-tax Act, 1961 out of the distributable profits of the Company.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

Employee stock option reserve

This reserve relates to stock options granted by the Company to employees under various ESOP schemes. This reserve is transferred to securities premium account on exercise of vested options.

Deemed capital contribution

This reserve relates to corporate guarantee issued by the parent company.

26. Interest income

(₹ in lakh)

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at FVTPL
Interest on loans	-	16,231.70	-	-	8,517.56	-
Interest on short term loans	-	-	-	-	-	-
Interest on deposits with banks	-	617.94	-	-	473.38	-
Total	-	16,849.64	-	-	8,990.94	-

Notes to Financial Statements for year ended March 31, 2024

27. Fees income

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fees income	297.76	203.25
Total	297.76	203.25

28. Net gain on fair value changes

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain /(loss) on financial instruments		
On trading portfolio		
-Investment	22.10	75.90
Total (A)	22.10	75.90
Fair Value changes:		
-Realised	22.10	78.46
-Unrealised	-	(2.56)
Total (B)	22.10	75.90

29. Gain on derecognition of financial instruments under amortised cost category

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on derecognition of financial instruments	319.18	-
Total	319.18	-

30. Other income

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unwinding of interest on security deposits	1.72	1.75
Bad Debts Recovered	84.34	-
Other income	578.50	204.29
Total	664.56	206.04

Notes to Financial Statements for year ended March 31, 2024

31. Finance cost

(₹ in lakh)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost
Interest on borrowings	-	8,619.24	-	3,003.64
Interest expense – leases	-	7.74	-	7.59
Interest debt securities	-	79.12	-	347.40
Total	-	8,706.10	-	3,358.63

32. Impairment on financial instruments

(₹ in lakh)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised Cost
Loans	-	332.96	-	(831.82)
Write-off	-	106.13	-	721.28
Loss on Sale of Loan Assets to ARC	-	591.61	-	-
Total	-	1,030.70	-	(110.54)

33. Employee benefits expenses

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	2,967.70	2,058.30
Expense on Employee Stock Option Scheme (ESOP)	310.11	223.99
Gratuity expense	32.71	21.65
Contribution to provident and other funds	184.80	132.94
Staff Welfare Expenses	3.34	1.17
Others	13.62	19.06
Total	3,512.28	2,457.11

a. Defined contribution plans:

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident fund and others	184.80	132.94

b. Defined benefit plan:

In accordance with the Accounting Standard (Ind AS 19), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan based on the following assumptions:

Assumptions	As at March 31, 2024	As at March 31, 2023
Expected Return on Plan Assets	N.A.	7.31%
Rate of Discounting	7.16%	7.31%
Rate of Salary Increase	9.00%	8.00%
Rate of Employee Turnover	25.00%	20.00%

i. Table Showing Change in the Present Value of Projected Benefit Obligation:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of Benefit Obligation at the Beginning of the year	127.00	61.85
Interest Cost	9.28	4.27
Current Service Cost	29.20	19.88
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	48.81
Liability Transferred Out/ Divestments	-	-
(Gains)/ Losses on Curtailment	-	-
Liabilities Extinguished on Settlement	-	-
Benefit Paid Directly by the Employer	-	-
Benefit Paid From the Fund	(15.65)	(9.13)
The Effect Of Changes in Foreign Exchange Rates Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(3.83)	16.90
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	3.49	(17.34)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(11.60)	1.77
Present Value of Benefit Obligation at the End of the year	137.89	127.00

ii. Table Showing Change in the Fair Value of Plan Assets:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Fair Value of Plan Assets at the Beginning of the year	78.99	36.33
Interest Income	5.77	2.51
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-

Notes to Financial Statements for year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Assets Transferred In/Acquisitions	-	49.53
Assets Transferred Out/ Divestments	-	-
Benefit Paid from the Fund	(15.66)	(9.13)
Assets Distributed on Settlements	-	-
Expenses and Tax for managing the Benefit	-	-
Obligations- paid from the fund	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	(11.26)	(0.25)
Fair Value of Plan Assets at the End of the year	57.84	78.99

iii. Amount Recognized in the Balance Sheet:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(Present Value of Benefit Obligation at the end of the year)	(137.89)	(127.00)
Fair Value of Plan Assets at the end of the year	57.84	78.99
Funded Status (Surplus/ (Deficit))	(80.05)	(48.01)
Net (Liability)/Asset Recognized in the Balance Sheet	(80.05)	(48.01)

iv. Net Interest Cost:

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Benefit Obligation at the Beginning of the year	127.00	61.85
(Fair Value of Plan Assets at the Beginning of the year)	(78.99)	(36.33)
Net Liability/(Asset) at the Beginning	48.01	25.52
Interest Cost	9.28	4.27
Interest Income	(5.77)	(2.51)
Net Interest Cost for Current year	3.51	1.76

v. Expenses Recognized in the Statement of Profit or Loss:

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Service Cost	29.20	19.88
Net Interest Cost	3.51	1.76
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	32.71	21.64

Notes to Financial Statements for year ended March 31, 2024

vi. Expenses Recognized in the Other Comprehensive Income (OCI):

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (Gains)/Losses on obligation for the year	(11.94)	1.32
Return on Plan Assets, Excluding Interest Income	11.26	0.25
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(0.68)	1.57

vii. Balance Sheet Reconciliation:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	48.01	25.52
Expenses Recognized in Statement of Profit or Loss	32.71	21.65
Expenses Recognized in OCI	(0.68)	1.57
Net Liability/(Asset) Transfer In	-	(0.73)
Net (Liability)/Asset Transfer Out	-	-
Benefit Paid Directly by the Employer	-	-
Employer's Contribution	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	80.04	48.01

viii. Maturity Analysis of the Benefit Payments from the Fund:

(₹ in lakh)

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2024	As at March 31, 2023
1st Following year	46.90	21.04
2nd Following year	19.47	19.48
3rd Following year	17.19	17.58
4th Following year	16.76	20.76
5th Following year	18.91	15.49
Sum of years 6 To 10	37.11	52.78
Sum of years 11 and above	14.64	27.70

ix. Sensitivity analysis

(₹ in lakh)

Sensitivity Analysis	As at March 31, 2024	As at March 31, 2023
Projected Benefit Obligation on Current Assumptions	137.89	127.00
Delta Effect of +1% Change in Rate of Discounting	(3.36)	(4.47)
Delta Effect of -1% Change in Rate of Discounting	3.61	4.84
Delta Effect of +1% Change in Rate of Salary Increase	3.08	4.41
Delta Effect of -1% Change in Rate of Salary Increase	(2.99)	(4.19)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.88)	(0.80)
Delta Effect of -1% Change in Rate of Employee Turnover	0.91	0.82

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected

Notes to Financial Statements for year ended March 31, 2024

benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

c. **Compensated Absences:**

During the year the Company has released ₹. 2.93 lakh (Previous year charged ₹. 2.22 lakh) as liability towards compensated absences based on Actuarial Report.

34. **Other expenses**

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement	9.77	1.10
Audit fees	32.00	19.45
Bank Charges	34.32	17.69
Communication cost	32.06	24.12
CSR Expenditure	34.30	27.85
Director sitting fees	43.10	27.00
Filing fees	8.31	8.90
Impairment on assets held for sale	11.00	9.43
Insurance Charges	98.81	25.93
Legal and professional fees	141.34	167.85
Loan origination costs	(2.67)	22.96
Manpower outsourcing	733.04	649.98
Office expenses	168.00	105.05
Printing & stationery	50.84	38.30
Rating Fees	52.58	14.93
Rent, rates and taxes	522.12	377.34
Repairs and maintenance	46.77	30.35
Shared support cost	81.42	245.58
Software subscription/ IT related expenses	245.82	136.45
Travelling and conveyance	130.37	96.48
Travelling expenses for Director	8.82	15.29
Underwriting expenses	518.80	290.61
Miscellaneous expenses	16.51	13.67
Total	3,017.43	2,366.31

Notes to Financial Statements for year ended March 31, 2024

34.1 Audit fees

(₹ in lakh)

Particulars	Year ended	
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
Statutory Audit	13.00	10.50
Limited Review	12.00	4.50
Certification Fees	4.16	3.93
Out of Pocket Expenses	2.84	0.52
Total	32.00	19.45

Note: Audit Fees above is excluding Goods and Service Tax.

34.2 Operating expenses includes ₹. 34.30 lakh for the year ended March 31,2024 towards Corporate Social Responsibility (CSR) in accordance with Companies Act, 2013.

Details of amount spent during the respective year towards CSR are as under:

(₹ in lakh)

Particulars	For the year ended March 2024	For the year ended March 2023
(a) Construction/acquisition of any asset		-
(b) On purposes other than (a) above	34.30	27.85

(₹ in lakh)

Particulars	March 31, 2024			March 31, 2023		
	Amount Spent	yet to be paid	Total	Amount Spent	yet to be paid	Total
Centrum foundation	34.30	-	34.30	27.85	-	27.85

Details of CSR:

Name of the Project	List of Activities	Location of the Project	Implementing Agency
Healthcare and Medical Aid	Promoting health care including preventive health care	Mumbai and Navi Mumbai	Centrum foundation.
Feed the Needy	Eradicating hunger, poverty and malnutrition.	Mumbai and Navi Mumbai	Centrum foundation.
Children Education	Promoting education	Mumbai and Navi Mumbai	Centrum foundation.

35. Tax expenses

i. The components of income tax expenses:

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	176.47	193.08
Adjustment in respect of prior years	32.03	-

Notes to Financial Statements for year ended March 31, 2024

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax relating to origination and reversal of temporary differences	(540.08)	(149.60)
Total tax charge	(331.58)	43.49
Current tax	176.47	193.08
Deferred tax (Asset) / Liability	(540.08)	(149.60)
Income tax recognized in Other Comprehensive Income	0.17	0.40

ii. Reconciliation of total tax charge:

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax as per financial statements	1,726.58	1,236.58
Tax rate (in percentage)	25.17%	25.17%
Income tax expense	434.55	311.22
Adjustment in respect of prior years	-	-
Effect of non-deductible expenses:		
Non-deductible Expenses	491.68	461.98
Deduction u/s 36(1)	(1,517.12)	(931.27)
Other Deduction	-	-
Revised Profit before tax	701.14	767.18
Tax charge for the year recorded in P&L	176.47	193.08
Effective tax rate	10.22%	15.62%

36. Earnings per Share (EPS): Basic

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity holders	2,058.17	1,192.99
Weighted average number of equity shares used in computing basic	2,668.68	2,668.68
Face value of equity shares (in ₹)	10/-	10/-
Earnings Per Share – Basic	0.771	0.447

37. Earnings per Share (EPS): Diluted

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity holders	2,058.17	1,192.99
Weighted average number of equity shares used in computing diluted EPS	2,803.67	2,764.87
Face value of equity shares (in ₹)	10/-	10/-
Earnings per share – Diluted	0.734	0.431

Notes to Financial Statements for year ended March 31, 2024

38. **Contingent liability and Commitments:**

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Contingent Liability	-	-
b. Commitment	-	-
Estimated amount of contracts remaining to be executed on capital account (net of advance)	-	-
Loans sanctioned pending disbursements	9,132.05	6,543.40

39. **Maturity Analysis of Assets and liabilities:**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	2,632.60		2,632.60	3,773.58	-	3,773.58
Bank balance other than (a) above	383.21	1125.91	1,509.12	569.20	1,969.45	2,538.64
Loans	14,128.78	1,25,422.16	1,39,550.94	3,343.09	1,08,386.91	1,11,730.00
Investments	-	-	-	542.78	-	542.78
Other financial assets	1,420.57	313.01	1,733.58	714.21	258.05	972.26
Non-financial assets						
Current tax assets (Net)	144.42		144.42	219.15	-	219.15
Deferred tax assets (Net)	166.04		166.04	-	-	-
Property, plant and equipment		311.63	311.63	-	371.88	371.88
Right of use of assets		91.62	91.62	-	48.23	48.23
Capital Work in Progress				-	-	-
Other intangible assets		983.75	983.75	-	382.24	382.24
Other non-financial assets	681.47	74.37	755.84	142.39	401.98	544.37
Assets held for sale	1,060.57		1,060.57	851.62	-	851.62
Total assets	20,617.66	1,28,322.45	1,48,940.54	10,156.02	1,11,818.73	1,21,974.76

(₹ in lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises				-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	375.10	-	375.10	62.90	120.80	183.70
Debt securities	---	-		3,500.00	-	3,500.00
Borrowings (other than debt securities)	21,279.44	72,989.68	94,269.12	16,101.36	51,798.97	67,900.33
Lease liabilities	46.51	44.12	90.63	40.90	7.67	48.57
Other financial liabilities	8,521.64	5.28	8,526.92	6,427.12	123.12	6,550.24
Non-financial Liabilities						
Provisions	25.97	78.91	104.88	48.01	90.56	138.57
Other non-financial liabilities	88.73	-	88.73	133.21	-	133.21
Current tax liability (net)	-	-	-	-	-	-
Deferred tax liabilities (net)	-	-	-	-	373.87	373.87
Total liabilities	30,337.39	73,117.99	1,03,455.38	26,313.50	52,514.99	78,828.49
Net	(9,719.73)	55,204.46	45,485.16	(16,157.48)	59,303.74	43,146.27

40. **Segment information:**

The Company's main business is to provide loans against/for purchase, construction, repairs & renovations of houses/Flats etc. All other activities of the Company revolve around the main business. Hence no disclosure is made under Ind AS 108 - 'Operating Segment Reporting'. Further, segmentation based on geography has not been presented as the Company operates only in India.

Notes to Financial Statements for year ended March 31, 2024

41. Related party transactions:

In terms of Indian Accounting Standard (Ind AS 24) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2014, the disclosures of transactions with the related parties as defined in Ind AS 24 are given below:

(a) Holding Company	Centrum Capital Limited
(b) Fellow subsidiaries:	Centrum Retail Services Limited Unity Small Finance Bank Limited
(c) Enterprises that exercise significant influence	BG Advisory Services LLP (till 05.02.2024) JBCG Advisory Services Private Limited
(d) Entities with substantial interest in the Company	NHPEA V Shelter (BVI) Limited (w.e.f. 15.12.2023) NHPEA Kamet Holding B.V. (till 15.12.2023)
(e) Others	Experian Credit Information Company of India Private Limited Acapella Foods and Restaurants Private Limited Club 7 Holidays Limited
(f) Key Managerial Personnel	(i) Mr. Sanjay Shukla, Managing Director & CEO
	(ii) Mr. Mehul Jatania, Chief Financial Officer
	(iii) Mr. Mayank Jain, Company Secretary
(g) Board of directors	(i) Mr. Sridar Venkatesan, Independent Director
	(ii) Mr. Mohan Tanksale, Independent Director
	(iii) Mr. Animesh Chauhan, Independent Director (w.e.f. 09.06.2023)
	(iv) Ms. Anjali Seth, Independent Director
	(iv) Mr. Vivek Vig, Non-Executive Director
	(v) Mr. Rajendra Naik, Non-Executive Director
	(vi) Mr. Arjun Saigal, Nominee Director
(vii) Mr. Sanjay Shukla, Managing Director & CEO	
(h) Close family members of the Key Managerial Personnel of the Parent Company	(i) Nilesh Subhash Kutte (Son of Director of Holding company) (ii) Jaykumar Subhash Kutte (Son of Director of Holding company)

Transactions carried out with the related parties

(₹ in lakh)

Nature of related party	Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Holding Company			
Centrum Capital Limited	Expenses	165.24	10.90

Notes to Financial Statements for year ended March 31, 2024

Nature of related party	Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Fellow subsidiaries:			
Centrum Retail Services Limited	Expenses	237.79	386.15
Unity Small Finance Bank Limited	Rent income	0.48	0.48
	Expenses	0.11	4.82
	Interest Income	152.46	65.43
	Fixed deposit booked	41,800.00	16,883.08
	Fixed Deposit Maturity	41,439.67	16,808.54
	Direct Assignment	4,535.84	5,004.28
	Collection	1,388.08	528.38
Others			
Experian Credit Information Company of India Private Limited	Expenses	15.21	0.28
Acapella Foods and Restaurants Private Limited	Expenses	21.19	11.79
Club 7 Holidays Limited	Refund Received towards advance given for expenses	15	-
Key Managerial Personnel			
Mr. Sanjay Shukla (Managing Director & CEO)	Managerial remuneration	177.09	151.97
Mr. Mehul Jatania (Chief Financial Officer)	Managerial remuneration	104.99	98.00
Mr. Mayank Jain (Company Secretary)	Managerial remuneration	36.00	25.92
Board of directors			
Ms. Anjali Seth	Sitting Fees	11.45	9.00
Mr. Mohan Tanksale	Sitting Fees	11.45	9.00
Mr. Sridar Venkatesan	Sitting Fees	11.45	9.00
Mr. Animesh Chauhan	Sitting Fees	8.75	-
Close family members of Directors of Holding Company			
Mr. Nilesh Subhash Kutte	Rent	2.37	2.26
Mr. Jaykumar Subhash Kutte	Rent	2.37	2.26

Notes to Financial Statements for year ended March 31, 2024

Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel of the Company.

(₹ in lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits (including salaries)*	318.08	275.89
Post-employment benefits	-	-
Other long-term benefits	-	-
Total	318.08	275.89

*The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis.

Closing Balance of related party transactions as below:

Holding Company:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2024	As at March 31, 2023
Centrum Capital Limited	Corporate Guarantee (Outstanding)	33,647.00	25,306.00

Fellow subsidiaries:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2024	As at March 31, 2023
Centrum Retail Services Limited	Expenses payable	1.09	32.74
	Security Deposit	86.73	86.73
Unity Small Finance Bank	Fixed Deposit	638.73	138.73
	Interest receivable	14.04	1.24
	Collections Receivable	60.68	-

Others:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2024	As at March 31, 2023
Acapella Foods and Restaurants Private Limited	Expenses Payable	1.84	-
Club 7 Holidays Limited	Advance for expenses	-	15.00

Managerial remuneration:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2024	As at March 31, 2023
Mr. Sanjay Shukla	Managerial remuneration payable	-	1.72

42. **Risk Management:**

a. **Risk Management Framework:**

The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of all its stakeholders and at the same time minimise potential adverse effects on its financial performance. The Company places emphasis on risk management practices to ensure an appropriate balance between risks and returns.

The Board of Directors of the Company along with the management are primarily responsible for the risk management. The Board's oversight of risk includes review of and approval of key strategies and policies. These are monitored and governed through the Risk Management Committee (RMC). Audit Committee (AC) ensures that an independent assurance is provided to the Board. AC is assisted in its assurance role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the AC.

The Company's risks are generally categorized in the following risk types:

Risk	Exposure Arising from	Management
Credit Risk	Cash equivalents, financial assets measured at amortised cost.	RMC is actively involved in the following: (a) Oversight of the implementation of credit policies (b) Review of the overall portfolio credit performance and establishing guardrails (c) Review of product programs
Liquidity Risk	Financial liabilities	The Board is responsible for setting the strategic direction of the Company including establishing liquidity risk appetite and tolerance limits. Liquidity risk is managed by the Asset Liability Management Committee (ALCO) based on the Company's ALM policy which is approved by the RMC. ALCO not only ensures that the Company has adequate liquidity on an on-going basis but also examines how liquidity requirements are likely to evolve under different assumptions.
Market Risk - Interest Rate Risk - Price Risk - Foreign exchange Risk	Investments in Mutual fund, bonds etc.	RMC is involved in the formulation of policies for monitoring market risk. The risk is managed through close identification, supervision and monitoring of risks arising from movements in market rates such as interest rates, foreign exchange rates, traded prices and credit spreads, which may result in a loss of earnings and capital.

42.1 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, and arises principally from the Company's loans, financial assets measured at amortised cost. The Company has a policy of dealing with creditworthy counterparties and obtains sufficient collateral, as appropriate, as a means of mitigating the risk of financial loss from defaults. In case the loans are to be restructured, similar credit assessment process is followed by the Company.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

The Board has delegated credit approval authority to the Company's officials under the Company's credit policy. The Company's credit officials evaluate credit proposals on the basis of credit underwriting policies and procedures approved by the management. The criteria typically include factors such as the customer eligibility, income and debt obligation assessment, nature of product, credit bureau scores wherever applicable, historical experience, type of collateral provided and demographic parameters. Any deviations need to be approved at the designated levels. External agencies such as field investigation agencies facilitate a due diligence process including visits to offices and residences, risk containment agencies for document frauds, legal & valuation agencies for property evaluation. The branch credit team/operations team monitors compliance with the terms and conditions of credit facilities prior to disbursement. It also reviews the completeness of documentation and creation of security by the borrower. The central operations team verifies adherence to the terms of the credit approval prior to the disbursement of credit facilities.

The Company additionally takes the following measures:

- Credit team is tasked with monitoring of borrowers and to facilitate proactive action wherever required.
- Enhanced monitoring of portfolio through periodic reviews.
- Periodic trainings of its credit/operations officials

Impairment Risk

The Company applies the expected credit loss methodology based on historically available information and projection of macroeconomic indicators wherever necessary in order to determine the impairment allowance required.

Description	Stages
Outstanding between 0 to 30 days	Stage 1
Outstanding between 31 to 90 days	Stage 2
Outstanding for more than 90 days	Stage 3

a. **Expected credit loss:**

Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls),

discounted at the original EIR. Expected Credit loss (ECL) computation is not driven by any single methodology, however methodology and approach used must reflect the following:

An unbiased and probability weighted amount that evaluates a range of possible outcomes.

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

Time value of money

While the time value of money element is currently being factored into ECL measurement while discounting cash flows by the Effective Interest Rate (EIR), the objective of developing a macroeconomic model using exogenous macroeconomic variables is to address the first two requirements. This has been achieved by using the model output to adjust the PD risk component in order to make it forward looking and probability- weighted.

b. Significant increase in credit risk (SICR):

Company considers a financial instrument defaulted, classified as Stage 3 (credit-impaired) for ECL calculations, in all cases when the borrower becomes 90 days past due. Classification of assets from Stage 1 to Stage 2 has been carried out based on SICR criterion. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

c. Probability of default:

Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affect the macro economic trends are considered to a reasonable extent, wherever necessary. The Company calculates the 12 month PD by taking into account the past historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk /credit impaired assets, lifetime PD has been applied.

d. Loss Given Default (LGD):

The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due (net of recovery cost) and those that the lender would expect to receive. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor. It is usually expressed as a percentage of the EAD. The Company collects list of all the defaulters and tracked from the first time they become Stage 3 assets. The Company calculates the LGD based on the present value of month on month recovery post default for Stage 1 and 2 and takes into account of the Stage 3 recovery and present value of the actual Stage 3. In absence of adequate historical data, the Company uses industry proxy data of peer companies as sourced from external agencies.

Notes to Financial Statements for year ended March 31, 2024

e. Exposure at Default (EAD):

The amount which the borrower will owe to the portfolio at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company, there might be variable exposure that may increase the EAD. These exposures are of the nature where the Company provides future commitments, in addition to the current credit. Therefore, the exposure will contain both on and off balance sheet values. The value of exposure is given by the following formula:

$$\text{EAD} = \text{Drawn Credit Line Credit} + \text{Conversion Factor} * \text{Undrawn Credit Line}$$

Where,

Drawn Credit Line = Current outstanding amount

Credit Conversion Factor (CCF) = Expected future drawdown as a proportion of undrawn amount

Undrawn Credit Line = Difference between the total amount which the Company has committed and the drawn credit line While the drawn exposure and limits for the customer are available, the modelling of CCF is required for computing the EAD.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Risk concentration:

The following table shows the risk concentration by industry for the components of the balance sheet. Since the Company provides only retail loans, there is not significant concentration risk at the borrower / counterparty level. Additional disclosures for credit quality and the maximum exposure for credit risk per categories based on the Company's internal credit assessment system and year- end stage classification are further disclosed.

(₹ in lakh)

As at March 31, 2024	Housing Loan	Non Housing Loan	Total
Loans	1,07,914.02	34,716.38	1,42,630.40
Loan commitments	8,966.96	165.09	9,132.05
Total	1,16,880.98	34,881.47	1,51,762.45

*The Loan assets figure and its classification / bifurcation where ever disclosed in notes is net of EIR.

(₹ in lakh)

As at March 31, 2023	Housing Loan	Non Housing Loan	Total
Loans*	84,763.47	29,252.28	1,14,015.75
Loan commitments	6,409.31	134.09	6,543.40
Total	91,172.78	29,386.37	1,20,559.15

*The Loan assets figure and its classification/ bifurcation where ever disclosed in notes is net of EIR.

Notes to Financial Statements for year ended March 31, 2024

f. **Collateral held and other credit enhancements:**

- i. The tables on the following pages show the maximum exposure to credit risk by class of financial asset along with details of principal type of collateral:

Maximum exposure to credit risk (carrying amount before ECL):

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023	Principle type of collateral
Housing Loan	1,07,914.02	84,763.47	Property
Non Housing Loan	34,716.38	29,252.28	Property
Total (A)	1,42,630.40	1,14,015.75	
Loan commitments	9,132.05	6,543.40	Property
Total (B)	9,132.05	6,543.40	
Total (A+B)	1,51,762.45	1,20,559.15	

- ii. Financial assets that are Stage 3 and related collateral held in order to mitigate potential losses are given below:

(₹ in lakh)

As at March 31, 2024	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
Housing Loan	2,087.47	658.43	1,429.04	4,584.48
Non Housing Loan	1,340.29	394.41	945.88	4,031.85
Total (A)	3,427.76	1,052.84	2,374.92	8,616.33
Loan commitments	-	-	-	-
Total (B)	-	-	-	-
Total (A+B)	3,427.76	1,052.84	2,374.92	8,616.33

(₹ in lakh)

As at March 31, 2023	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
Housing Loan	1,529.00	522.85	1,006.15	3,274.09
Non Housing Loan	1,510.33	392.27	1,118.06	4,416.29
Total (A)	3,039.33	915.12	2,124.21	7,690.38
Loan commitments	-	-	-	-
Total (B)	-	-	-	-
Total (A+B)	3,039.33	915.12	2,124.21	7,690.38

42.2 **Liquidity Risk:**

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Liquidity risk management involves estimating and managing the liquidity requirements of the Company within acceptable structural boundaries and in a cost-efficient manner, and involves the Board and senior management's development and oversight of a comprehensive process that identifies, measures, monitors and controls the Company's liquidity risk exposure. The Company maintains a reliable management information system designed to provide the senior management with timely and forward-looking information on the liquidity position of the Company.

The Company has financing arrangement from banks/ financial institutions in form of committed credit lines.

42.2.1 Analysis of non-derivative financial liabilities by remaining contractual maturities:

(₹ in lakh)

As at March 31, 2024	Carrying amount	Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Non-derivative financial liabilities							
Trade payables	375.10	375.10	29.18	47.97	297.95		-
Borrowings (other than debt securities)	94,269.12	94,269.12	5,940.92	5,358.32	9,980.20	37,644.96	35,344.71
Debt securities	-	-	-	-	-	-	-
Lease liabilities	90.63	90.63	14.76	15.15	16.60	25.30	18.82
Other financial liabilities	8,526.92	8,526.92	8,503.59	-	18.24	-	5.09
Total	1,03,261.77	1,03,261.77	14,488.45	5,421.44	10,312.99	37,670.26	35,368.62

(₹ in lakh)

As at March 31, 2023	Carrying amount	Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Non-derivative financial liabilities							
Trade payables	183.70	183.70	-	6.64	56.26	-	120.80
Borrowings (other than debt securities)	67,900.33	67,900.33	3,979.95	4,128.83	7,992.58	24,648.59	27,150.38

Notes to Financial Statements for year ended March 31, 2024

As at March 31, 2023	Carrying amount	Gross nominal inflow/ (outflow)	upto 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	Over 3 year
Debt securities	3,500.00	3,500.00	3,500.00	-	-	-	-
Lease liabilities	48.57	48.57	11.90	11.35	17.65	7.67	-
Other financial liabilities	6,550.24	6,550.24	6,207.41	29.36	190.35	123.12	-
Total	78,182.84	78,182.84	13,699.26	4,176.18	8,256.84	24,779.38	27,271.18

42.3 Market Risk:

Market risk is the risk associated with the effect of changes in market factors such as interest rates, equity prices, credit spreads or implied volatilities, on the value of assets and liabilities held resulting in loss of future earnings. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters. The Company separates its exposure to market risks between trading and non-trading portfolios.

Exposure to market Risk - Non trading portfolios:

Interest rate risk - The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Exposure to this risk primarily results from timing spread in the re-pricing of both on and off-balance sheet assets and liabilities as they mature (fixed rate instruments) or contractual re-pricing (floating rate instruments).

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands.

42.3.1 Market risk exposure:

The fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates. The Company classifies its exposures to market risk into non-trading portfolios.

42.3.2 Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows of financial instruments. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held as at year end.

Notes to Financial Statements for year ended March 31, 2024

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

(₹ in lakh)

Particulars	As At March 31, 2024	As At March 31, 2023
Impact on profit before tax for 25 bps increase in interest rate	(217.98)	(157.59)
Impact on profit before tax for 25 bps decrease in interest rate	217.98	157.59

43. Business combination

During FY 2022-23, the Company entered into a Business Transfer Agreement (BTA) on December 3, 2022, for acquiring housing finance business of National Trust Housing Finance Limited (Natrust). As per the terms of the BTA, the HFC business of Natrust was transferred to the Company as a going concern by way of a slump sale on February 28, 2023.

- 43.1 While there was a Fair Valuation done for performing assets, there was limited information available on the recoverable value of the NPA assets at the time of transaction closure, i.e., acquisition date.
- 43.2 In such a scenario, the initial accounting of Non-performing loan assets of Natrust was incomplete at the time of transaction closure.
- 43.3 The nature and amount of any measurement period adjustments recognised during the reporting period in accordance with 'Paragraph 49 of IndAS 103 Business Combination' –

(₹ in lakh)

Particulars	Amount
Total value of NPA assets acquired as on 28.02.2023	2,180.41
Total value of NPA assets as on 28.02.2023 which are to be revalued	1,464.70
Total value of NPA assets as on 28.02.2023 post revaluation	863.19
Additional Goodwill accounted during the year	601.51

(Note: Accounts closed/ written-off/ repossessed have not been considered for revaluation).

43.4 Reconciliation of Goodwill:

(₹ in lakh)

Particulars	Amount
Goodwill as on March 31, 2023	382.24
Add: Incremental Goodwill	601.51
Goodwill as on March 31, 2024	983.75

43.5 Impairment of Goodwill:

For acquisition, the Company recognized ₹ 382.24 lakh as Goodwill in the Books of Accounts as on year ended March 31, 2023. Subsequent to a final measurement during the year as detailed above, the Goodwill stood at ₹ 983.75 lakh as on March 31, 2024. The goodwill is attributable to the benefit of existing branches, existing loan portfolio of the acquired business, revenue growth and future market development in Southern region of the Country.

Notes to Financial Statements for year ended March 31, 2024

In terms of the IndAS 36 Para 9 on Impairment of Assets, the Goodwill needs to be tested for impairment. Accordingly, following was observed by the Company at the time of testing the Impairment for the Goodwill paid at the time of acquisition.

- (1) The business has been acquired only 13 months ago and it has shown substantial growth in the region and is expected to grow further in future.
- (2) A premium was primarily paid to expand the business in the southern region of the Country. Company has achieved growth in market penetration and ensuring future cash flows during the period in the region and the Company proposes to leverage the prospective customer base and also scale-up the business basis the potential available in the region.

Basis the above the management is of the view that there is no impairment required on the Goodwill in the current financial year.

44. Financial instruments not measured at fair value:

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorized.

(₹ in lakh)

As at March 31, 2024	Total Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Financial Assets					
Cash and cash equivalent	2,632.60	2,632.60	2,632.60	-	-
Bank balances other than cash and cash equivalent	1,509.12	1,509.12	1,509.12	-	-
Loans	1,39,550.94	1,39,550.94	-	-	1,39,550.94
Other financial assets	1,733.58	1,733.58	-	-	1,733.58
Total	1,45,426.24	1,45,426.24	4,141.72	-	1,41,284.52
Financial Liabilities					
Lease liabilities	90.63	90.63	-	-	90.63
Borrowing (Other than debt securities)	94,269.12	94,269.12	-	-	94,269.12
Debt securities	-	-	-	-	-
Trade payables	375.10	375.10	-	-	375.10
Other financial liabilities	8,526.92	8,526.92	-	-	8,526.92
Total	1,03,261.77	1,03,261.77	-	-	1,03,261.77

(₹ in lakh)

As at March 31, 2023	Total Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Financial Assets					
Cash and cash equivalent	4,961.00	4,961.00	4,961.00	-	-
Bank balances other than cash and cash equivalent	1,351.23	1,351.23	1,351.23	-	-
Loans	1,11,730.00	1,11,730.00	-	-	1,11,730.00
Other financial assets	972.26	972.26	-	-	972.26

Notes to Financial Statements for year ended March 31, 2024

As at March 31, 2023	Total Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Total	1,19,014.49	1,19,014.49	6,312.23	-	1,12,702.26
Financial Liabilities					
Lease liabilities	48.56	48.56	-	-	48.56
Borrowing (Other than debt securities)	67,900.33	67,900.33	-	-	67,900.33
Debt securities	3,500.00	3,500.00	-	3,500.00	-
Trade payables	183.70	183.70	-	-	183.70
Other financial liabilities	6,550.24	6,550.24	-	-	6,550.24
Total	78,182.83	78,182.83	-	3,500.00	74,682.83

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

Valuation Methodologies of Financial Instruments not measured at fair value:

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's Financial Statements.

These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term financial assets and liabilities:

For Financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amount has been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Financial assets at amortized cost:

The fair values financial assets measured at amortized cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Transfer of Financial Assets- Assignment deal:

Particulars	(₹ in lakh)	
	As at March 31, 2024	As at March 31, 2023
Carrying amount of derecognized financial assets	2,967.30	-
Gain from de-recognition	276.57	-

Notes to Financial Statements for year ended March 31, 2024

Issued Debt:

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

45. Employee Stock Option Plan:

The CHFL Employees Stock Option Plan 2018 (ESOP 2018) provides for grant of stock options to eligible employees of the Company.

Particulars	ESOP Series I				ESOP Series II	ESOP Series IV
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I	Tranche-I
No. of options approved	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000	59,75,000
Date of grant	01-04-2019	07-05-2019	31-08-2019	21-02-2022	01-04-2019	01-07-2023
No. of options granted	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000	59,75,000
Exercise price per option	10.00	10.00	10.00	10.00	10.00	35.00
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	Options to vest as per stipulated vesting schedule ("Fixed Vesting")					
Exercise period (years)	5	5	5	5	4	4

(B) Tranche – I of ESOP Series IV was granted during FY 2023-24, details given above.

(C) Reconciliation of options

Particulars	ESOP Series I				ESOP Series II	ESOP Series IV
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I	Tranche-I
Options outstanding at April 1, 2023	28,30,000	19,99,999	20,00,000	26,68,501	1,20,000	-
Granted during the year	-	-	-	-	-	59,75,000
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-

Notes to Financial Statements for year ended March 31, 2024

Particulars	ESOP Series I				ESOP Series II	ESOP Series IV
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I	Tranche-I
Expired / lapsed during the year	5,90,000	-	-	-	5,000	15,00,000
Outstanding at March 31, 2024	22,40,000	19,99,999	20,00,000	26,68,501	1,15,000	44,75,000
Exercisable at March 31, 2024	22,40,000	19,99,999	20,00,000	-	1,15,000	-
Weighted average remaining contractual life (in years)	3	3	3	6	3	7

Particulars	ESOP Series I				ESOP Series II
	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
Options outstanding at April 1, 2022	28,30,000	19,99,999	20,00,000	26,68,501	2,20,000
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	1,00,000
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
Outstanding at March 31, 2023	28,30,000	19,99,999	20,00,000	26,68,501	1,20,000
Exercisable at March 31, 2023	28,30,000	19,99,999	20,00,000	-	1,20,000
Weighted average remaining contractual life (in years)	4	4.10	4.42	6.90	4.00

46. **Capital Management**

The Company complies with externally imposed capital requirements from its regulators and maintains healthy capital ratios in order to support its business. Further the company maintains diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

47. **Details of Redeemable Non-Convertible Debentures (inclusive of interest accrued on debentures)**

During the year, Company had redeemed its Secured Listed Non-Convertible Debentures at par. Hence, there was no Secured Listed Non-Convertible Debentures as on March 31, 2024 (Previous Year – ₹ 3,500 Lakh)

48. Disclosure pursuant to RBI notification – RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August, 06 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May, 05 2021: Resolution of Covid-19 related stress of Individual and Small Businesses.

(₹ in lakh)

Type of borrower	(A) Exposure to accounts classified as standard consequent to implementation of resolution plan at September, 30 2023	(B) Of (A), aggregate debt that slipped into NPA during the half year	(C) Of (A), Amount written off during the half-year	(D) Of (A), Amount paid by the borrower during the half-year	(E) Exposure to accounts classified as standard consequent to implementation of resolution plan at March 31, 2024
Personal Loans	1,833.11	76.72	14.42	718.97	1,023.00
Corporate Persons	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1,883.11	76.72	14.42	718.97	1,023.00

49. Disclosure pursuant to RBI Notification – RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

- a. The Company has not acquired any stressed loans during the year ended March 31, 2024.
- b. The following table sets forth details of loans not in default acquired/ transferred through Direct Assignment/ co-lending during the year ended March 31, 2024

Particulars	Acquired	Transferred (Direct Assignment)	Transferred (Co-Lending)
Number of loans	604	402	1
Aggregate amount (₹ in lakh)	5,263.61	2,967.30	16.12
Purchase/ Sale consideration (₹ in lakh)	5,263.61	2,967.30	16.12
Weighted average remaining maturity (in months)	150	138	176
Weighted average holding period after origination (in months)	NA	42	4
Retention of beneficial economic interest (average)	NA	10%	25%
Coverage of tangible security coverage	100%	100%	100%
Rating wise distribution of rated loans	Unrated	Unrated	Unrated

Notes to Financial Statements for year ended March 31, 2024

- c. The following table sets forth details of stressed loans transferred through Direct Assignment during the year ended March 31, 2024

Particulars	Transferred (ARC)
Number of loans	196
Aggregate amount (₹ in lakh)	1,810.95
Weighted average remaining maturity (in months)	142
Net Book Value of Loans transferred (₹ In Lakh)	939.55
Aggregate Consideration	688.00
Additional consideration realised in respect of accounts transferred in earlier years	-
Excess provisions reversed to the profit and loss account on account of sale	-

50. Regulatory disclosures:

50.1 Capital:

The below regulatory capital is computed in accordance with the Non- Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions) issued by the Reserve Bank of India.

Particulars	As at March 31, 2024	As at March 31, 2023
(i) CRAR (%)	54.15%	65.85%
(ii) CRAR - Tier I capital (%)	53.61%	65.16%
(iii) CRAR - Tier II capital (%)	0.55%	0.69%
(iv) Amount of subordinated debt raised as Tier-II Capital	-	-
(v) Amount raised by issue of perpetual debt Instruments	-	-

50.2 Reserve Fund u/s 29C of NHB Act, 1987:

Statement as per NHB circular No. NHB(ND)/DRS/Pol.circular.61/2013 Dt. April 14, 2014

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	837.72	599.12
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	49.93	39.93
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	787.79	559.19
c) Total	837.72	599.12
Addition/Appropriation/ Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	123.71	10.00
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	287.93	228.60
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987		-

Notes to Financial Statements for year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987		-
Balance at the end of the year	1,249.36	837.72
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	173.64	49.93
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under, Section 29C of the NHB Act, 1987	1,075.72	787.79
c) Total	1,249.36	837.72

50.3 Investments:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Value of Investments		
(i) Gross value of investments	-	542.78
(a) In India	-	542.78
(b) Outside India	-	-
(ii) Provisions for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments	-	542.78
(a) In India	-	542.78
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	542.78

50.4 Derivatives:

50.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The Notional Principal of the Swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v) The fair value of the swap book	-	-

50.4.2 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March, 2021 (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

50.4.3 Disclosures on Risk Exposure in derivatives:

(A) Qualitative Disclosure:

The Company doesn't deal in Derivatives.

(B) Quantitative Disclosure:

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Derivatives (Notional Principal Amount)	-	-
(ii) Marked to Market Positions	-	-
(a) Assets (+)	-	-
(b) Liability (-)	-	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

50.5 Securitisation of Loan Assets and Transfer of Loan Assets:

50.5.1 Details of Securitization:

(₹ in lakh)

S.N.	Particulars	As at March 31, 2024	As at March 31, 2023
1.	No of SPEs holding assets for securitization transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	-	-
2.	Total amount of securitized assets as per books of the SPEs	-	-
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet a) Off-balance sheet exposures	-	-

Notes to Financial Statements for year ended March 31, 2024

S.N.	Particulars	As at March 31, 2024	As at March 31, 2023
	<ul style="list-style-type: none"> ▪ First loss ▪ Others b) On-balance sheet exposures <ul style="list-style-type: none"> ▪ First loss ▪ Others 		
4.	Amount of exposures to securitization transactions other than MRR <ul style="list-style-type: none"> a) Off-balance sheet exposures <ul style="list-style-type: none"> i) Exposure to own securitizations <ul style="list-style-type: none"> ▪ First loss ▪ Others ii) Exposure to third party securitizations <ul style="list-style-type: none"> ▪ First loss ▪ Others b) On-balance sheet exposures <ul style="list-style-type: none"> i) Exposure to own securitizations <ul style="list-style-type: none"> ▪ First loss ▪ Others ii) Exposure to third party securitizations <ul style="list-style-type: none"> ▪ First loss ▪ Others 	-	-
5.	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	-	-
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitization asset servicing, etc.	-	-
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. <ul style="list-style-type: none"> a) Amount paid b) Repayment received c) Outstanding amount 	-	-
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		-
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup	-	-

Notes to Financial Statements for year ended March 31, 2024

S.N.	Particulars	As at March 31, 2024	As at March 31, 2023
	separately for each asset class i.e. RMBS, Vehicle Loans etc		
10.	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

50.5.2 Details of transfer of loan assets (non-stressed loans) by the Company

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Type of Assignor	Bank (DA)	Bank (Co-lending)	NA
No. of loan accounts assigned	402	1	-
Aggregate value (net of provisions) of accounts assigned	2,967.30	16.12	-
Aggregate consideration	2,967.30	16.12	-
Retention of beneficial economic interest (MRR)	10%	25%	-
Weighted Average Maturity (Residual Maturity)	138	176	-
(i) Weighted Average Holding Period	42	4	-
(ii) Coverage of tangible security	100%	100%	-
(iii) Rating wise distribution of rated loans	Unrated	Unrated	-

50.5.3 Details of acquisition of loan assets (non-stressed loans) by the Company

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Type of Assignor	Bank & HFC	Bank
(ii) No. of loan accounts assigned	604	368
(iii) Aggregate value (net of provisions) of accounts assigned	5,263.61	5,004.28
(iv) Aggregate consideration	5,263.61	5,004.28
(v) Retention of beneficial economic interest (MRR)	NA	0%
(vi) Weighted Average Maturity (Residual Maturity)	150	206
(vii) Weighted Average Holding Period	NA	NA
(viii) Coverage of tangible security	100%	100%
(ix) Rating wise distribution of rated loans	Unrated	Unrated

50.5.4 Details of stressed loan assets acquired/ sold during the year

(A) Details of SMA loan assets acquired by the Company:

(₹ in lakh)

Particulars	From ARCs	From other lenders
1. No. of accounts purchased during the year	-	-
2. Aggregate principal outstanding of loans acquired	-	-
3. Aggregate consideration paid	-	-
4. Weighted average residual tenor of loans acquired	-	-

Notes to Financial Statements for year ended March 31, 2024

(B) Details of non-performing financial assets acquired by the Company:

(₹ in lakh)

Particulars	From ARCs	From other lenders
1. No. of accounts purchased during the year	-	-
2. Aggregate principal outstanding of loans acquired	-	-
3. Aggregate consideration paid	-	-
4. Weighted average residual tenor of loans acquired	-	-

(C) Details of SMA loan assets transferred/ sold by the Company:

(₹ in lakh)

Particulars	To ARCs	To permitted transferees	To other transferees
1. No. of accounts sold during the year	-	-	-
2. Aggregate principal outstanding of loans transferred	-	-	-
3. Aggregate consideration received	-	-	-
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
5. Weighted average residual tenor of loans transferred	-	-	-
6. Net book value of loans transferred (at the time of transfer)	-	-	-
7. Quantum of excess provisions reversed to the profit and loss account on account of sale	-	-	-
8. distribution of Security Receipts ("SRs") held by the Company across the various categories of Recovery Ratings assigned by the credit rating agencies	-	-	-

(D) Details of Non-Performing Financial Assets transferred/ sold by the Company:

(₹ in lakh)

Particulars	To ARCs	To permitted transferees	To other transferees
1. No. of accounts purchased during the year	196	-	-
2. Aggregate principal outstanding of loans transferred	1,810.95	-	-
3. Aggregate consideration received	688.00	-	-
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
5. Weighted average residual tenor of loans transferred	142	-	-
6. Net book value of loans transferred (at the time of transfer)	939.55	-	-
7. Quantum of excess provisions reversed to the profit and loss account on account of sale	-	-	-
8. Distribution of Security Receipts ("SRs") held by the Company across the various categories of Recovery Ratings assigned by the credit rating agencies	-	-	-

Notes to Financial Statements for year ended March 31, 2024

50.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in lakh)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Banks	583.33	-	738.03	921.69	3,697.87	5,358.32	9,980.20	37,644.96	24,835.71	10,509.01	94,269.12
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	13.16	29.41	8.04	1,218.41	1231.79	3777.13	7935.83	37,693.68	49,943.83	39,624.45	1,41,475.83
Investments	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

Notes to Financial Statements for year ended March 31, 2024

50.7 Exposure

50.7.1 Exposure to Real Estate Sector

(₹ in lakh)

Category	As at March 31, 2024	As at March 31, 2023
A. Direct Exposure		
(i) Residential Mortgages * –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	1,42,166.22	1,13,119.83
(ii) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse spaces, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
B. Indirect Exposure		
Fund based and non-fund based exposure on NHB and HFCs		-
Total Exposure to Real Estate Sector	1,42,166.22	1,13,119.83

*Direct exposure amounting to ₹ 464.18 lakh (Previous Year – ₹ 898.34 lakh) secured against other commercial property not defined as residential and commercial real estate.

50.7.2 Exposure to Capital Market

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible	-	-

Notes to Financial Statements for year ended March 31, 2024

	bonds or convertible debentures or units of equity oriented mutual funds, i.e, where the primary security other than shares / convertible bonds/convertible debentures / units of equity oriented mutual funds does not fully cover the advances		
(v)	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting	-	-
(vii)	's contribution to the equity of new companies in anticipation of raising resources		
(viii)	Bridge loans to companies against expected equity flows/issues	-	-
(ix)	Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(x)	Financing to stockbrokers for margin trading		
(xi)	All exposures to Alternative Investment Funds: (a) Category I (b) Category II (c) Category III		
Total Exposure to Capital Market		-	-

50.7.3 Sectoral exposure

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	% of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i) Housing Loans	1,16,880.98	2,087.47	1.79%	91,183.63	1,529.00	1.68%
ii) Non – Housing Loans secured by residential properties	34,417.29	1,328.93	3.86%	28,477.18	1,403.09	4.93%
Total of Personal Loans (i+ii)	1,51,298.27	3,416.40	2.26%	1,19,660.81	2,932.09	2.45%

Notes to Financial Statements for year ended March 31, 2024

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off- balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	% of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	% of Gross NPAs to total exposure in that sector
5. Others, if any				-	-	-
i) Non- Housing Loans secured by commercial properties.	464.18	11.36	2.45%	898.34	107.24	11.94%

50.7.4 Intra-group exposures

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

50.7.5 **Unhedged foreign currency exposure** – The Company does not have any un-hedged foreign currency exposure as at March 31, 2024 (Previous year Rs. Nil)

Notes to Financial Statements for year ended March 31, 2024

50.7.6 Related Party Disclosure

(₹ in lakh)

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Directors		Others		Total	
	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23
Borrowings														
i. Outstanding	-	-									-	-	-	-
ii. Maximum during the year	-										-		-	
Deposits														
i. Outstanding														
ii. Maximum during the year														
Placement of deposits														
i. Outstanding											725.46	225.46	725.46	225.46
ii. Maximum during the year											725.46	225.46	725.46	225.46
Advances														
i. Outstanding														
ii. Maximum during the year														
Investments														
i. Outstanding														
ii. Maximum during the year														
Purchase of fixed/ other assets														
i. Outstanding														

Notes to Financial Statements for year ended March 31, 2024

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Directors		Others		Total	
	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23	31.03.24	31.03.23
ii. Maximum during the year														
Sale of fixed/ other assets														
i. Outstanding														
ii. Maximum during the year														
Interest paid														
i. Outstanding														
ii. Maximum during the year														
Interest received														
i. Outstanding	-	-									14.04	1.24	14.04	1.24
ii. Maximum during the year	-										14.04	1.24	14.04	1.24
Others														
i. Outstanding	33,647.00	25,306.00					-	(1.72)	-	-	57.74	(17.74)	33,704.74	25,286.54
ii. Maximum during the year	33,647.00	25,306.00					-	(1.72)	-	-	57.74	(17.74)	33,704.74	25,286.54

Notes to Financial Statements for year ended March 31, 2024

50.7.7 **Disclosure of complaints** – Summary information on complaints received by the Company is as under:

S. N.	Particulars	FY2024	FY2023
Complaints received by the Company from its customers			
1.	Number of complaints pending at beginning of the year	6	1
2.	Number of complaints received during the year	60	20
3.	Number of complaints disposed during the year	62	15
	3.1 Of which, number of complaints rejected by the Company		
4.	Number of complaints pending at the end of the year	4	6
5.	The Integrated Ombudsman Scheme, 2021 is not applicable on the Company as it is a housing finance company. Accordingly, there are 'NIL' disclosure regarding the same.		

50.7.8 **Top five grounds of complaints received by the Company from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
FY2023-24					
CLSS subsidy related	-	5	67%	-	-
Foreclosure letter related	2	18	>100%	3	-
SOA related	-	3	>100%	-	-
Collection/recovery related	3	15	>100%	1	-
ROI related	-	3	50%	-	-
Others	1	16	>100%	-	-
Total	6	60		4	-
FY2022-23					
CLSS subsidy related	-	3	(40%)	-	-
Foreclosure letter related	1	5	67%	2	-
SOA related	-	-	(100%)	-	-
Collection/recovery related	-	7	NIL	3	2
ROI related	-	2	(33%)	-	-
Others	-	3	(75%)	1	-
Total	1	20		6	2

50.7.9 **Breach of covenant, if any-** There was no instance of breach of covenant by the Company of loan availed or debt securities issued by it.

Notes to Financial Statements for year ended March 31, 2024

50.7.10 **Divergence in Asset Classification and Provisioning, if any** – For FY2023-24 and FY2022-23, no instance of divergence in asset classification and additional provisioning requirements was assessed and advised by the National Housing Bank (NHB) to the Company. Accordingly, any additional disclosures in this regard are not applicable on the Company.

50.7.11 Loans to Directors, Senior Officers, and relatives of Directors

(₹ in lakh)

	Current Year	Previous Year
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

50.7.12 Details of financing of parent company products

There is no financing of parent company products

50.7.13 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the HFC

The company has not exceeded the Single Borrower Limit and Group Borrower Limit as prescribed by NHB/ RBI during the financial year.

50.7.14 Unsecured Advances

The company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

50.7.15 Exposure to group companies engaged in real estate business (refer to Paragraph 21 of these directions)

Description	Amount (₹ in Lakh)	% of owned fund
(1) Exposure to any single entity in a group engaged in real estate business	-	0.00%
(2) Exposure to all entities in a group engaged in real estate business	-	0.00%

50.8 Miscellaneous

50.8.1 Registration obtained from other financial sector regulators

There is no registration obtained from other financial sector regulators

50.8.2 Disclosure of Penalties imposed by NHB/ RBI and other regulators

No penalty was imposed on the Company by the NHB/ RBI or any other regulatory authority during FY2023-24. During FY 2022-23, No penalty.

50.8.3 Related Party Transactions

Details of all material transactions with related parties are disclosed in Note 41.

50.8.4 Group Structure: Diagrammatic representation of group structure given below:

↳ Holding Company:	Centrum Capital Limited
↳ subsidiaries:	Centrum Alternatives LLP (100%)
	Centrum Capital International Limited (100%)

Notes to Financial Statements for year ended March 31, 2024

Centrum Capital Advisory Limited (100%)
 Centrum International Services PTE Ltd (86.56%)
 Centrum Retail Services Ltd (100%)
 Centrum Broking Limited (51.01%)
 Centrum Alternative Investment Managers Limited (100%)
 Centrum Housing Finance Limited (56.39%)
 Centrum Microcredit Limited (100%)
 Centrum Financial Services Limited (100%)
 Ignis Capital Advisors Limited (100%)

Centrum Capital International Limited
 ↳ subsidiaries:

CCIL Investment Management Limited (100%)

Centrum Retail Services Ltd
 ↳ subsidiaries:

Centrum Wealth Limited (68.63%)
 Centrum Insurance Brokers Limited (100%)
 Acorn Fund Consultants Private Limited (49%)

Centrum Wealth Limited
 ↳ subsidiaries:

Centrum Investment Advisory Limited (51%)

Centrum Financial Services Limited
 ↳ subsidiaries:

Unity Small Finance Bank Limited (51%)

50.8.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Particulars	Rating	As at March 31, 2024	As at March 31, 2023
Bank Borrowings	CARE	Care A- ; Stable	Care A- (RWD)*
NCD	CARE	Care A- ; Stable	Care A- (RWD)*

*Rating Watch with Developing Implications

50.8.6 Remuneration of Directors

Please refer Note 41 of Related party transaction.

50.8.7 Management

Please refer Note. 41 of Related party transaction.

50.8.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current year's profit and loss apart from the one given below and also there is no change in the accounting policies during the year.

Tax expenses for AY 2021-22 (prior period) accounted in the current year amounting to ₹ 32.03 lakh.

Notes to Financial Statements for year ended March 31, 2024

50.8.9 Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

50.8.10 Consolidated Financial Statements (CFS)

The Company has no subsidiary/associates/joint venture hence; requirement of consolidated financial statement is not applicable to the Company.

50.9 Additional Disclosures

50.9.1 Provisions and Contingencies

(₹ in lakh)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended March 31, 2024	For the year ended March 31, 2023
Provisions for depreciation on Investment		-
Provision towards NPA	137.70	(319.42)
Provision made towards Income tax	176.46	193.08
Other Provision and Contingencies (with details)		-
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	195.23	(512.39)

50.10 Assets are classified in term of the Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Direction) issued by Reserve Bank of India.

(₹ in lakh)

Break up of Loans & Advances & Provisions thereon	Housing		Non-Housing	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Standard Assets				
a) Total Outstanding Amount	1,05,826.55	83,234.47	33,376.09	27,741.95
b) Provisions made	598.73	447.67	273.31	229.14
Sub- Standard Assets				
a) Total Outstanding Amount	1,819.05	1,058.49	1,092.96	1,017.13
b) Provisions made	535.96	286.41	279.95	233.52
Doubtful Assets – Category I				
a) Total Outstanding Amount	217.85	357.24	181.86	438.25
b) Provisions made	90.39	167.88	74.05	124.86
Doubtful Assets – Category II				
a) Total Outstanding Amount	32.64	113.26	41.92	54.95
b) Provisions made	19.84	68.56	24.14	33.89
Doubtful Assets – Category III				
a) Total Outstanding Amount	17.93	-	23.56	-
b) Provisions made	12.24	-	16.28	-
Loss Assets				
a) Total Outstanding Amount				
b) Provisions made				
Total				
a) Total Outstanding Amount	1,07,914.02	84,763.47	34,716.39	29,252.28
b) Provisions made	1,257.17	970.52	667.73	621.42

Notes to Financial Statements for year ended March 31, 2024

50.11 Draw Down from Reserves

During FY 2023-24, there were no draw down from Reserves (Previous year – NIL).

50.12 Concentration of Public Deposits, Advances, Exposures and NPAs

50.12.1 Concentration of Public Deposits (for Public Deposit taking/ holding HFCs)

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total deposits of twenty largest depositors	NA	NA
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	NA	NA

50.12.2 Concentration of Loans & Advances

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans & advances to twenty largest borrowers	1,197.69	952.48
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	0.84%	0.84%

50.12.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to twenty largest borrowers/ customers	1,200.15	985.04
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	0.79%	0.82%

50.12.4 Concentration of NPAs

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to top ten NPA accounts	348.98	314.39

50.12.5 Sector-wise NPAs

Particulars	Percentage of NPAs to Total Advances in that sector
A. Housing Loans	
1. Individuals	1.93%
2. Builders/Project loans	0.00%
3. Corporates	0.00%
4. Others (specify)	0.00%
B. Non- Housing Loans	

Notes to Financial Statements for year ended March 31, 2024

Particulars	Percentage of NPAs to Total Advances in that sector
1. Individuals	3.86%
2. Builders/Project loans	0.00%
3. Corporates	0.00%
4. Others (specify)	0.00%

50.13 Movement of NPAs

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Net NPAs to Net Advances (%)	1.68%	1.89%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	3,039.34	1,549.55
(b) Additions during the year	2,836.31	3,408.43
(c) Reductions during the year	(2,447.89)	(1,918.64)
(d) Closing balance	3,427.76	3,039.34
(iii) Movement of Net NPAs		
(a) Opening balance	2,124.20	953.87
(b) Additions during the year	2,040.17	2,367.71
(c) Reductions during the year	(1,789.45)	(1,197.38)
(d) Closing balance	2,374.92	2,124.20
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	915.14	595.69
(b) Provisions made during the year	796.14	1,040.72
(c) Write-off / write-back of excess provisions	(658.44)	(721.27)
(d) Closing balance	1,052.84	915.14

50.14 Overseas Assets

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Overseas assets	-	-

50.15 Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
The Company does not have any off balance sheet Special Purpose Vehicle (SPV) which are required to be consolidated as per accounting norms.	

Notes to Financial Statements for year ended March 31, 2024

50.16 Disclosure of Complaints

50.16.1 Customer Complaints

Particulars	As at March 31, 2024	As at March 31, 2023
(a) No. of complaints pending at the beginning of the year	6	1
(b) No. of complaints received during the year	60	20
(c) No. of complaints redressed during the year	62	15
(d) No. of complaints pending at the end of the year	4	6

50.17 The following disclosures have been given in terms of Notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22. 10.106/2019-20 dated March 13, 2020 issued by the RBI on Implementation of Indian Accounting Standards

(₹ in lakh)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,31,422.12	434.45	1,30,987.67	431.17	3.28
	Stage 2	7,780.52	437.60	7,342.92	47.47	390.12
Subtotal		1,39,202.64	872.05	1,38,330.59	478.65	393.40
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,912.01	815.91	2,096.10	487.08	328.83
Doubtful - up to 1 year	Stage 3	399.71	164.44	235.27	86.72	77.72
1 to 3 years	Stage 3	74.55	43.97	30.58	21.88	22.09
More than 3 years	Stage 3	41.49	28.52	12.97	9.48	19.05
Subtotal for doubtful		515.75	236.93	278.82	118.08	118.86
Loss	Stage 3					
Subtotal for NPA		3,427.76	1,052.85	2,374.92	605.16	447.68

Notes to Financial Statements for year ended March 31, 2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	9,037.90	53.37	8,984.52	-	53.37
	Stage 2	94.15	27.24	66.91	-	27.24
	Stage 3	-	-	-	-	-
Subtotal		9,132.05	80.62	9,051.43	-	80.62

Annex III Schedule to the Balance Sheet of an HFC

Particulars		Amount outstanding	Amount overdue
Liabilities side			
(1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		-
(b)	Deferred Credits	-	-
(c)	Term Loans	71,137.76	-
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Public Deposits*	-	-
(g)	Other Loans -Refinance from NHB	23,179.38	-
	* Please see Note 1 below		
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a)	In the form of Unsecured debentures	-	-

Notes to Financial Statements for year ended March 31, 2024

	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	-	-
	* Please see Note 1 below			
Assets side			Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
	(a)	Secured	1,42,630.40	
	(b)	Unsecured	-	
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
	(i)	Lease assets including lease rentals under sundry debtors		
	(a)	Financial lease	-	
	(b)	Operating lease	-	
	(ii)	Stock on hire including hire charges under sundry debtors		
	(a)	Assets on hire	-	
	(b)	Repossessed Assets	-	
	(iii)	Other loans counting towards asset financing activities		
	(a)	Loans where assets have been repossessed	-	
	(b)	Loans other than (a) above	-	
(5)	Break-up of Investments			
	Current Investments			
	1.	Quoted		
	(i)	Shares		
		(a) Equity	-	
		(b) Preference	-	
	(ii)	Debentures and Bonds	-	
	(iii)	Units of mutual funds	-	
	(iv)	Government Securities	-	
	(v)	Others (please specify)	-	
	2.	Unquoted		
	(i)	Shares		
		(a) Equity	-	
		(b) Preference	-	
	(ii)	Debentures and Bonds	-	
	(iii)	Units of mutual funds	-	
	(iv)	Government Securities	-	
	(v)	Others (please specify)	-	
	Long Term investments			
	1.	Quoted		
	(i)	Share		

Notes to Financial Statements for year ended March 31, 2024

		(a) Equity	-	
		(b) Preference	-	
	(ii)	Debentures and Bonds	-	
	(iii)	Units of mutual funds	-	
	(iv)	Government Securities	-	
	(v)	Others (please specify)	-	
	2.	Unquoted		
	(i)	Shares	-	
		(a) Equity	-	
		(b) Preference	-	
	(ii)	Debentures and Bonds	-	
	(iii)	Units of mutual funds	-	
	(iv)	Government Securities	-	
	(v)	Others (please specify)	-	
(6)	Borrower group-wise classification of assets financed as in (3) and (4) above: (Please see Note 2 below)			
	Category		Amount net of provisions	
			Secured	Unsecured
				Total
1.	Related Parties			
	**			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties (Asset side Loans to be given)		1,42,630.40	-
	Total			
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : (Please see Note 3 below)			
	Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties			
	**			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties		-	-
	Total		-	-

Notes to Financial Statements for year ended March 31, 2024

** As per notified Accounting Standard (Please see Note 3)		
Other information		
Particulars		Amount
(i)	Gross Non-Performing Assets	
(a)	Related parties	-
(b)	Other than related parties	3,427.76
(ii)	Net Non-Performing Assets	
(a)	Related parties	-
(b)	Other than related parties	2,374.92
(iii)	Assets acquired in satisfaction of debt	-

1.	As defined in Paragraph 4.1.30 of these Directions.
2.	Provisioning norms shall be applicable as prescribed in these Directions.
3.	All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

51. **Disclosure as per the guideline on Liquidity Risk Management (LRM) framework prescribed by the RBI-**

(i) Funding Concentration based on significant counterparty for borrowings

(₹ in lakh)

Particulars	As at March 31, 2024
Number of Significant Counterparties*	20
Amount	94,269.12
Percentage of funding concentration to total deposits	0.00%
Percentage of funding concentration to total liabilities	91.12%

*Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(ii) **Top 20 large deposits** (₹ in lakh and % of total deposits) – **NIL**

Notes to Financial Statements for year ended March 31, 2024

(iii) **Top 10 borrowings**

(₹ in lakh)

Particulars	As at March 31, 2024
Total amount of top 10 borrowings	75,603.62
Percentage of amount of top 10 borrowings to total borrowings	80.20%

(iv) **Funding Concentration based on significant instrument/product.**

(₹ in lakh)

Particulars	As at March 31, 2024	Percentage of total liabilities
Non-Convertible Debenture	-	-
Loan from Bank	51,765.44	54.91%
Loan from Others	19,324.30	20.50%
Refinance from National Housing Bank	23,179.38	24.59%

* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(v) **Stock Ratios**

Particulars	As at March 31, 2024
Commercial paper as a percentage of total public funds*	-
Commercial paper as a percentage of total liabilities	-
Commercial paper as a percentage of total assets	-
Non-convertible debentures as a percentage of total public funds*	-
Non-convertible debentures as a percentage of total liabilities	-
Non-convertible debentures as a percentage of total assets	-
Other short term liabilities as a percentage of total public funds*#	32.18%
Other short term liabilities as a percentage of total liabilities#	29.32%
Other short term liabilities as a percentage of total assets#	20.37%

Note: Total liabilities are excluding equity share capital and other equity

*Public funds is as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016

#Other short term liabilities are excluding commercial paper & short term non-convertible debentures

Particulars	
Registration obtained from other financial sector regulators	
NHB Registration No.	11.0147.16
Company Identification no. (CIN)	U65922MH2016PLC273826

52. There are no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2024 (Previous Year: NIL)

53. Details on Principal Business Criteria to be disclosed

Particulars	March 31, 2024	March 31, 2023
Percentage of Total Assets of the Company towards Housing Finance	73.42%	70.06%
Percentage of Total Assets of the Company towards Housing Finance for Individuals	73.42%	70.06%

Notes to Financial Statements for year ended March 31, 2024

54. There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to total outstanding assets is **NIL**. (Previous year: NIL)
55. The Company has not undertaken insurance broking/ agency business. Accordingly, during the FY 2023-24, the Company did not receive any fee/ brokerage on account of the same (Previous Year – Nil).
56. **Fraud Reporting:** As required by NHB through its guideline dated February 5, 2019 and RBI through its Master Directions dated September 29, 2016 on reporting and monitoring of frauds, the Company has reported 23 frauds case amounting to ₹ 275.75 lakh during year ended March 31, 2024 (Previous Year: NIL)
57. **Foreign Exchange Transaction and un-hedged foreign currency risk:** The Company has not undertaken any foreign currency transaction during the year ended March 31, 2024 (Previous year: NIL). Also the Company does not have any un-hedged foreign currency exposure as at March 31, 2024 (Previous year: NIL)
58. **Details of dues to micro enterprise and small enterprise:** Trade Payables include **NIL** (Previous year: NIL) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, no interest has been paid/ is payable by the Company during the year to “Suppliers” registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.
59. The Company is not having any transaction or relationship with any company struck off the u/s 248 of Companies Act 2013.
60. The Company has not been declared as wilful defaulter by any banks/ lending institutions.
61. During the year no complaints were received under the whistle blower mechanism of the Company.
62. No non-accounted income disclosed during the tax assessments during the year.
63. The Company does not have any benami property. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2024 (Previous Year: NIL).
64. The financial statements have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 02, 2024.
65. There is no material impact of pending litigations on the financial position of the Company. The litigations are of routine in nature & are in the ordinary course of business.
66. Details of figures for the previous periods been regrouped are given below, in order to make them comparable.

(₹ in lakh)

Nature	Prior Period	Line Items	Amount
Deemed Capital Contribution	Year ended March 31, 2023	Deemed Capital Contribution reduced	61.83
Retained Earnings	Year ended March 31, 2023	Retained Earning increased	61.83

Notes to Financial Statements for year ended March 31, 2024

**For Chaturvedi & Co.
Chartered Accountants**
ICAI Firm Registration No. 302137E

**For and on behalf of the Board of
Centrum Housing Finance Limited**

Tushar Kandoi
Partner
Membership No. 136229

Sridar Venkatesan
Chairman
DIN: 02241339

Sanjay Shukla
Managing Director & CEO
DIN: 06577462

Date: May 02, 2024
Place: Mumbai

Mehul Jatania
Chief Financial Officer

Mayank Jain
Company Secretary
Membership No. A31435



HEMANT GOYAL & ASSOCIATES

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM INSURANCE BROKERS LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CENTRUM INSURANCE BROKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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 Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2024, its Profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The management report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether



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the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "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:
 - 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/302, PanchSheel Heights, Mahavir Nagar, Kandivali (W), Mumbai - 400 067.
Ph.: +91 9867438720 Email: hemant@hemantgoyalassociate.in



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- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. 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.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As no dividend was declared or paid during the year by the Company, no reporting is required about the compliance to S.123 of the Act.
- vi. Based on our examination which included test checks performed, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: April 22, 2024
UDIN: 24131566BKDAAM9298



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Annexure 1 to the Independent Auditors' Report – March 31st, 2024

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are periodically verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) As the company does not hold any immovable property, paragraph 3(i)(c) of the Order is not applicable to the company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has granted unsecured loan to a company during the year, in respect of which:
 - (a) We report that during the year the Company has provided loans and securities to entities as under:

Aggregate Amount granted/provided during the year:	
Subsidiary	Nil
Joint Venture	Nil
Associates	Nil
Others	21.10 crores



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CHARTERED ACCOUNTANT

Balance outstanding as at Balance Sheet date in respect of above cases:	
Subsidiary	Nil
Joint Venture	Nil
Associates	NIL
Others	10.00 crores

- (b) The company has not made any investment during the year and as such reporting under clause 3(ii)(b) is not applicable.
- (c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, except profession tax of Rs 23,100/- the Company did not have any undisputed dues outstanding for a period of more than six months from the date payable on account of sales tax, wealth tax, customs duty, service tax, excise duty, cess, investor education and protection fund and employees' state insurance, to the extent applicable, as at March 31, 2024



HEMANT GOYAL & ASSOCIATES

CHARTERED ACCOUNTANT

- (b) According to the information and explanations given to us, there were disputed amounts payable in respect of taxes mentioned in sub clause (a) as at March 31, 2024
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As the company does not belong to class to which vigil mechanism is applicable under the Act and Rules, clause xi (c) of the order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.



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- xiv. As the various limits prescribed for the mandatory internal audit under the Companies Act, 2013 are not exceeded, reporting under clause 3(xiv) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company is not liable for contribution to Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: April 22, 2024
UDIN: 24131566BKDAAM9298



HEMANT GOYAL & ASSOCIATES

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **CENTRUM INSURANCE BROKERS LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **CENTRUM INSURANCE BROKERS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



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Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk

that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: April 22, 2024
UDIN: 24131566BKDAAM9298

Centrum Insurance Brokers Limited
Balance sheet as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-24	As at 31-Mar-23
ASSETS			
Non-current assets			
Property, plant & equipment	2A	1.02	7.20
Other Intangible assets	2B	2.11	4.81
Financial assets			
i. Other financial assets	3	10.00	10.00
Deferred tax assets (net)	4	-	4.16
Other non-current assets	5	181.09	134.56
		194.22	160.73
Current assets			
Financial Assets			
i. Trade receivables	6	0.75	3.01
ii. Cash and cash equivalents	7	63.52	93.64
iii. Bank balances other than (ii) above	8	12.10	-
iv. Loans	9	1,000.00	787.00
v. Other financial assets	3	0.27	0.13
Other current assets	10	101.05	71.91
		1,177.69	955.69
Total		1,371.91	1,116.42
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	1,040.00	1,040.00
Other equity	12	39.25	(13.64)
		1,079.25	1,026.36
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Other financial liabilities		-	-
Provisions	13	1.75	1.10
Deferred tax liabilities (Net)	4	4.07	-
		5.82	1.10
Current liabilities			
Financial Liabilities			
i. Borrowings		-	-
i. Trade Payables	14		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		102.55	52.82
iii. Other financial liabilities		-	-
Other current liabilities	15	81.56	26.32
Provisions	13	102.73	9.82
		286.84	88.96
Total		1,371.91	1,116.42

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
Firm Registration No:-138639W

Hemant Goyal
Proprietor
Membership No. 131566

Place : Mumbai
Date : April 22, 2024

For and on behalf of the Board of Directors
Centrum Insurance Brokers Limited

Anirudh Jain
Director
DIN : 06739367

Stivan Fernandes
CFO

Hemendra Sawant
Whole Time Director
DIN : 08842983

Balakrishna Kumar
Company Secretary

Centrum Insurance Brokers Limited
Statement of Profit and Loss for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
Income			
Revenue from operations	16	723.71	290.21
Other Income	17	128.57	118.66
Total Income		852.28	408.87
EXPENSES			
Employee benefit expense	18	78.73	52.21
Depreciation and amortisation expense	19	2.27	3.50
Finance costs		-	-
Other expenses	20	696.34	343.60
Total expenses		777.34	399.31
Profit before tax		74.94	9.56
Tax expense	21		
Current tax		12.15	3.53
Previous year Taxes		-	5.84
Deferred tax		8.66	(1.09)
Profit for the year - (A)		54.13	1.28
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of Defined Benefit scheme		(1.66)	0.78
II. Income tax effect		0.42	(0.20)
Other Comprehensive Income for the period (net of tax) - (B)		(1.24)	0.58
Total Comprehensive Income for the period (A+B)		52.89	1.86
Earning per Equity Shares (In INR)			
Basic		0.51	0.02
Diluted		0.51	0.02

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
Firm Registration No:-138639W

For and on behalf of the Board of Directors
Centrum Insurance Brokers Limited

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Whole Time Director
DIN : 08842983

Place : Mumbai
Date : April 22, 2024

Stivan Fernandes
CFO

Balakrishna Kumar
Company Secretary

Centrum Insurance Brokers Limited
Statement of Changes in Equity for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital
As on 31-03-2024

Particulars	As on 31-03-24	As on 31-03-23
Balance at the beginning of the current reporting year	1,040.00	1,040.00
Changes in Equity Share Capital	-	-
Restated balance at the beginning of the current reporting year	1,040.00	1,040.00
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting year	1,040.00	1,040.00

B. Other Equity

31-03-2024						
Reserves and Surplus						
Particulars	Share application money pending allotment	Capital Reserve	Securities Premium	Retained Earnings	Other items of Other Comprehensive Income (specify nature)	Total
Balance at the beginning of the current reporting year	-	-	-	(13.64)	-	(13.64)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	(13.64)	-	(13.64)
Total Comprehensive Income for the current year	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	52.89	-	52.89
Any other change (to be specified)	-	-	-	-	-	-
Balance at the end of the current reporting year	-	-	-	39.25	-	39.25

31-03-2023						
Reserves and Surplus						
Particulars	Share application money pending allotment	Capital Reserve	Securities Premium	Retained Earnings	Other items of Other Comprehensive Income (specify nature)	Total
Balance at the beginning of the current reporting year	-	-	-	(15.50)	-	(15.50)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	(15.50)	-	(15.50)
Total Comprehensive Income for the current year	-	-	-	1.86	-	1.86
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-
Balance at the end of the current reporting year	-	-	-	(13.64)	-	(13.64)

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
Firm Registration No:-138639W

For and on behalf of the Board of Directors
Centrum Insurance Brokers Limited

Hemant Goyal
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Whole Time Director
DIN : 08842983

Place : Mumbai
Date : April 22, 2024

Stivan Fernandes
CFO

Balakrishna Kumar
Company Secretary

Centrum Insurance Brokers Limited
Cash Flow Statement for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year Ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	74.94	9.56
Adjustments for :		
Interest Income	(121.38)	(116.12)
Interest on Income Tax Refund	(2.15)	(2.54)
Depreciation/Amortisation	2.27	3.50
Loss on disposal of fixed assets	6.54	-
Employee Benefits	(1.66)	0.78
Operating profit/(loss) before working capital changes	(41.44)	(104.82)
Movement in working capital:		
Decrease/Increase in trade receivables	2.26	(2.53)
Decrease/Increase in other current asset	(29.14)	(15.98)
Increase/Decrease in other financial assets	(0.14)	-
Increase /Decrease Other non-current assets	(4.29)	-
Increase /Decrease in trade payable	49.72	35.73
Increase/Decrease in other current liabilities	55.24	31.53
Increase/Decrease in provisions	93.56	(0.08)
Cash (used in) operations	125.77	(56.15)
Taxes paid Net of Refund	(54.40)	(13.17)
Net cash used in Operating Activities (A)	71.37	(69.32)
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Fixed Deposits	(12.10)	(0.70)
Net proceeds from sale of Fixed assets	0.08	-
Loans/advances given to related party	(2,110.00)	(175.00)
Loans/advances received back	1,897.00	135.00
Interest on Income Tax Refund	2.15	2.53
Interest received	121.38	116.12
Net cash used in Investing Activities (B)	(101.49)	77.95
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash generated from Financing Activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	(30.12)	8.63
As at the beginning of the year	93.64	85.01
	63.52	93.64
As at the end of the period (refer note 7)		
Cash in hand including foreign currencies		
Balance with scheduled banks-Current accounts	63.52	93.64
Closing cash and cash equivalents	63.52	93.64

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.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
Firm Registration No:-138639W

Hemant Goyal
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Place : Mumbai
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For and on behalf of the Board of Directors
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Balakrishna Kumar
Company Secretary

Notes to the Financial Statements for the year ended March 31, 2024

Corporate Information

Centrum Insurance Brokers Limited ('Company') is a Public Limited Company incorporated and domiciled in India. The Company's registered office is in Mumbai, Maharashtra, India. These financial statements correspond to the standalone financial statements of the Company. The Company is primarily involved in the business of rendering Insurance Broking services.

The immediate Parent Company is Centrum Retail Services Limited (CRSL) and the Ultimate Parent Company is Centrum Capital Limited, a Company incorporated in Mumbai, India.

1.0 Accounting Policies

1.1 Basis of Preparation

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention and on accrual basis of accounting unless stated otherwise. GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Section 133 of the Companies Act, 2013 (The 'Act'), pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied to all the years presented.

The Company has also adopted amendments to Ind AS 1, as required under Companies (Indian Accounting Standards) Amendment Rules, 2023. The amendments require the disclosure of 'material' rather than 'significant' accounting policies.

1.2 Statement of Compliance

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

1.3 Property, plant and equipment

Property, 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.

Transition to Ind AS

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

Notes to the Financial Statements for the year ended March 31, 2024

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
Computers	3 years
Furniture & Fixtures	10 years
Office Equipment	5 years

1.4 Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

Transition to Ind AS

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

Subsequent expenditure

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

Amortisation

The Company capitalizes software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Software including operating system licenses are amortized over their estimated useful life of 10 years.

1.5 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

Notes to the Financial Statements for the year ended March 31, 2024

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

1.6 Impairment of property, plant and equipment and intangible assets

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.

1.7 Revenue recognition

Revenue is measured at transaction price (net of variable consideration) based on the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

Revenue from services

Income from Insurance Commission and Brokerage are accounted on accrual basis.

The company earns brokerage commission from insurance and reinsurance companies on placement of insurance policies and revenue is recognised from the policy risk start date i.e. when the policy is substantially completed & accepted and ultimate collection thereof is reasonably certain. The company present revenue net of taxes in the statement of profit and loss.

1.8 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 year when the contributions to the fund is due. There are no other obligations other than the contribution payable to the fund.

Defined benefit plans

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

Notes to the Financial Statements for the year ended March 31, 2024

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.

1.9 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 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.

Notes to the Financial Statements for the year ended March 31, 2024

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 year

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.

1.10 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.

For assets measured at fair value, gains and losses will be recorded either in profit, loss, or in 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.

Notes to the Financial Statements for the year ended March 31, 2024

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	<p>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.</p> <p>Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method.</p> <p>On de-recognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to</p>

Notes to the Financial Statements for the year ended March 31, 2024

				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 by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is	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. Dividend income from such instruments are however recorded in income statement.

Notes to the Financial Statements for the year ended March 31, 2024

		held for trading. The classification is made on initial recognition and is irrevocable.		
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to 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:

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

(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.

Notes to the Financial Statements for the year ended March 31, 2024

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

Classification, recognition and measurement:

(a) Equity Instruments:

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

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction 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

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus / 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.

Notes to the Financial Statements for the year ended March 31, 2024

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. 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.

1.11 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.

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

Notes to the Financial Statements for the year ended March 31, 2024

1.12 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.

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.

1.13 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.

1.14 Earnings per share:

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

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

1.15 Current/ Non-current classification:

An asset is classified as current if:

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

All other assets are classified as non-current.

Notes to the Financial Statements for the year ended March 31, 2024

A liability is classified as current if:

- (e) it is expected to be settled in normal operating cycle;
- (f) it is held primarily for the purpose of trading;
- (g) it is expected to be settled within twelvemonths after the reporting period;
- (h) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

1.16 Ind AS Standard not yet notified:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 – Leases

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

Where a contract meets Ind AS 116's definition of a lease, lease agreements will give rise to the recognition of a non-current asset representing the right to use the leased item, and a lease liability for future lease payables.

In the Statement of Profit and Loss, lessees will have to present interest expense on the lease liability and depreciation on the right-of-use asset. In the cash flow statement, cash payments for the principal portion of the lease liability and its related interest are classified within financing activities. Payments for short-term leases, leases of low-value assets and variable lease payments not included in the measurement of the lease liability are presented within operating activities.

The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements and will accordingly consider the same from period beginning April 1, 2019.

Amendment to Ind AS 12, Income Taxes

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Notes to the Financial Statements for the year ended March 31, 2024

This amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.17 Note on Financial statements providing Disclosure as per Regulations 34 (6) of IRDAI (Insurance Brokers) Regulations – 2018.

i) Insurance company wise listing of Revenue from Operation

Rs. In Lakhs

Particulars	FY 2024	FY 2023
Aegon Life	1.12	1.15
Bajaj Allianz General	0.42	0.10
Bajaj Allianz Life	7.59	8.09
Bharti Axa Life	60.18	82.83
Care Health Insurance Limited	1.85	2.41
Cholamandlam Ms General Insurance Co Ltd	0.03	0.00
ECGC Limited	0.00	0.40
HDFC ERGO General	0.01	0.01
HDFC Standard Life	82.13	79.97
ICICI Lombard General	12.74	10.33
ICICI Prudential	426.39	70.01
IFFCO-TOKIO GENERAL	0.57	0.95
ManipalCigna Health	4.20	3.17
National Insurance	0.00	0.26
Raheja QBE GIC Ltd	0.78	0.25
SBI General	0.06	0.00
Star Health	0.87	1.20
TATA AIA Life	15.99	20.36

Notes to the Financial Statements for the year ended March 31, 2024

TATA AIG General	94.26	1.36
The New India Assurance	7.39	6.48
The Oriental Insurance	0.65	0.74
United India	0.10	0.12
PNB MET LIFE	6.37	0.00
Total	723.71	290.21

ii) Payments received by Group Companies

Particulars	Rs. In Lakhs	
	FY 2024	FY 2023
Bajaj General	0.96	1.87
HDFC ERGO	1.04	0.61
ICICI Lombard	8.97	9.78
Bajaj Allianz Life Insurance Co. Ltd	80.19	44.66
Bharti AXA Life Insurance	214.47	991.99
HDFC Life	333.50	586.19
Care General Insurance	35.27	15.50
Aditya Birla Health Insurance company Ltd	0.02	0.20
Total	674.42	1650.80

1.18 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,

Notes to the Financial Statements for the year ended March 31, 2024

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 history, existing market condition as well as forward looking estimates at the end of each reporting period.
- d. Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.
- e. Disclosure of Transactions with struck of companies:** During this financial year there are no transactions done with struck of companies.
- f. Details of Crypto Currency or Virtual Currency:** Company has not made trade in Crypto currency or Virtual Currency.

Centrum Insurance Brokers Limited					
Notes to the Financial Statements for the year ended as at 31st March 2024					
(All amounts in INR Lakhs, unless otherwise stated)					
2A Property, plant & equipment					
	Particulars	Furnitures and Fixtures	Office Equipments	Computer Hardware	Total
	Gross Block				
	As at 31st March, 2022	8.55	6.96	18.60	34.11
	Additions - Mar 23	-	-	0.70	0.70
	Disposals - Mar 23	-	-	-	-
	As at 31st March, 2023	8.55	6.96	19.30	34.81
	Additions - March 24	-	-	-	-
	Disposals - March 24	8.55	6.96	14.38	29.89
	As at 31st March, 2024	-	-	4.92	4.92
	Accumulated Depreciation				
	As at 31st March, 2022	3.26	5.30	16.46	25.02
	Additions - Mar 23	0.81	1.32	0.46	2.59
	Disposals - Mar 23	-	-	-	-
	As at 31st March, 2023	4.07	6.61	16.92	27.61
	Additions - March 24	0.75	-	0.64	1.39
	Disposals - March 24	4.82	6.61	13.66	25.09
	As at 31st March, 2024	-	-	3.90	3.90
	Net Block				
	As at 31st March, 2024	-	-	1.02	1.02
	As at 31st March, 2023	4.48	0.35	2.38	7.20

2B Intangible assets

	Particulars	Computer Software
	Gross Block	
	As at 31st March, 2022	9.62
	Additions - Mar 23	-
	Disposals - Mar 23	-
	As at 31st March, 2023	9.62
	Additions - March 24	-
	Disposals - March 24	4.31
	As at 31st March, 2024	5.31
	Accumulated Depreciation	
	As at 31st March, 2022	3.90
	Additions - Mar 23	0.91
	Disposals - Mar 23	-
	As at 31st March, 2023	4.81
	Additions - March 24	0.88
	Disposals - March 24	2.50
	As at 31st March, 2024	3.20
	Net Block	
	As at 31st March, 2024	2.11
	As at 31st March, 2023	4.81

Centrum Insurance Brokers Limited
Notes to the Financial Statements for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

7. CASH AND CASH EQUIVALENTS	As at 31-Mar-24	As at 31-Mar-23
Balances with banks - In current accounts	63.52	93.64
Cash on hand	-	-
Total	63.52	93.64

7.a There are no restrictions with regards to bank balances as at the end of the reporting period and prior periods.

8. OTHER BANK BALANCES	As at 31-Mar-24	As at 31-Mar-23
Deposit with original maturity of more than 3 months and less than 12 months	12.10	-
Total	12.10	-

9. LOANS (Unsecured, considered good unless otherwise stated)	As at 31-Mar-24	As at 31-Mar-23
Loans to related parties	1,000.00	787.00
Total	1,000.00	787.00

Loans and Advances granted to Promoters , Directors , KMPs, and Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
	31-03-2024	31-03-2024	31-03-2023	31-03-2023
Promoters				
Directors				
KMPs				
Related Parties	1,000.00	100%	787.00	100%

10. OTHER CURRENT ASSETS	As at 31-Mar-24	As at 31-Mar-23
Balances with Government authorities	24.86	32.52
Prepaid Expenses	2.07	2.41
Advance to creditors	0.04	-
Contract Assets	74.08	36.98
Total	101.05	71.91

11. EQUITY SHARE CAPITAL	As at 31-Mar-24	As at 31-Mar-23
Authorized Share Capital 1,15,45,500 (31-March-24: 1,15,45,500) equity shares of Rs. 10 each	1,154.55	1,154.55
Total	1,154.55	1,154.55
Issued, subscribed and fully paid up Share Capital 1,03,99,996 (31-March-24: 1,03,99,996) equity shares of Rs. 10 each	1,040.00	1,040.00
Total	1,040.00	1,040.00

11.a Reconciliation of shares outstanding at the beginning and at the end of the year	As at 31-Mar-24 No of shares	As at 31-Mar-23 No of shares
For equity shares:		
Number of shares Outstanding at beginning of the year	1,03,99,996	1,03,99,996
Add: Shares issued during the year		
Number of shares Outstanding at the end of the year	1,03,99,996	1,03,99,996

11.b Rights, preferences and restrictions attached to shares

The company has issued only one class of equity shares having par value of Rs. 10 per share. 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.

Centrum Insurance Brokers Limited
Notes to the Financial Statements for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

11.c Particulars of shareholders holding more than 5% of aggregate shares	As at 31-Mar-24		As at 31-Mar-23	
	No of shares	%	No of shares	%
Equity shares				
Centrum Retail Services Limited	1,03,99,996	100	1,03,99,996	100
Total	1,03,99,996	100	1,03,99,996	100

11.d Particulars of Shareholding of Promoters	As at 31-Mar-24		As at 31-Mar-23	
	No. of Shares	%of total shares	No. of Shares	%of total shares
Shares held by promoters				
Promoter name				
Centrum Retail Services Limited	1,03,99,996	100%	1,03,99,996	100%

12. OTHER EQUITY	As at 31-Mar-24	As at 31-Mar-23
Opening balance	(13.64)	(15.50)
Profit for the period	54.13	1.28
Other comprehensive income	(1.24)	0.58
Closing Balance	39.25	(13.64)

13. PROVISIONS	As at 31-Mar-24	As at 31-Mar-23
Provision for Compensated Absences		
Current	-	0.21
Non current	1.75	1.10
Other Provision		
Current	102.72	9.62
Non current	-	-
Total Current	102.72	9.83
Total Non-Current	1.75	1.10

14. Trade Payables	As at 31-Mar-24	As at 31-Mar-23
Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	102.55	52.82
Total	102.55	52.82

Trade Payables ageing schedule

Mar-24

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	102.55	-	-	-	102.55
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	102.55	-	-	-	102.55

Mar-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	-	-	-	-	-
(ii)Others	52.82	-	-	-	52.82
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	52.82	-	-	-	52.82

Note: No interest has been paid/ is payable by the company during the year to 'Suppliers' registered under MSME Act,2006. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicabilities under the said Act.

Trade Payables includes Nil (Previous Year Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. Interest paid by the Company during the year to "Suppliers" registered under this Act is Nil (Previous Year Nil). The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

15. OTHER CURRENT LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Employee related liabilities	-	0.01
Advance received from customers	53.03	16.60
Statutory dues payable	16.23	2.98
Current Tax Liability	12.31	6.73
Total	81.56	26.32

Centrum Insurance Brokers Limited
Notes to the Financial Statements for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

	Year ended 31-Mar-24	Year ended 31-Mar-23
16. REVENUE FROM OPERATIONS		
Insurance Brokerage Income	723.71	290.21
Total	723.71	290.21
17. OTHER INCOME		
Interest income from Fixed Deposits	2.88	0.79
Interest Income - Other	118.50	115.33
Interest on Income Tax Refund	2.15	2.54
Reversal of Expected Credit Loss of Trade receivables	5.05	-
Total	128.57	118.66
18. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	73.54	47.91
Contributions to provident and other fund	2.71	2.38
Staff welfare expenses	2.48	1.92
Total	78.73	52.21
19. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on property, plant and equipment	1.39	2.59
Amortisation on intangible assets	0.88	0.91
Total	2.27	3.50
20. OTHER EXPENSES		
Rent	55.00	28.30
Rates & taxes	11.98	-
Repair and maintenance	11.97	-
Meeting and seminars	162.92	141.45
Business Support Service	131.23	101.32
Legal & professional fees	79.05	49.60
Travelling and conveyance	29.61	0.23
Audit fees	0.25	0.25
Sponsorship	35.50	-
Office expenses	36.28	13.64
Miscellaneous expenses	11.81	8.83
Training Expenses	22.43	-
Advertisement expenses	40.00	-
Operation support service expenses	68.32	-
Total	696.34	343.61
20. (a) Auditors' remuneration		
Audit Fees - Statutory Audit	0.25	0.25
Total	0.25	0.25
21. INCOME TAX EXPENSE		
Current tax		
Current tax on profits for the year	12.31	3.53
Adjustments for current tax of prior periods	(0.17)	5.84
Total current tax expense	12.15	9.37
Deferred tax		
Increase/(Decrease) in Deferred tax asset	8.24	(1.09)
Total deferred tax expense/(benefit)	8.24	(1.09)
Income tax expense	20.39	8.27
Reconciliation of effective Tax Rate		
Profit before income tax expense	74.94	9.56
Enacted income tax rate in India applicable to the Company 25.168% (March 2023: 25.168%)	18.86	2.41
Tax effect of:		
Previously unrecognised tax losses now recouped to reduce current tax expenses	-	-
Adjustment in deferred tax through OCI	-	-
Previous year Taxes	-	5.84
Adjustment in deferred tax of previous years	-	-
Adjustment of provision for doubtful debts in deferred tax	-	-
Permanent disallowance	1.52	-
Others	-	0.04
Income tax expense	20.39	8.28
Weighted average tax rate for the year	27.20%	86.65%

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

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 year ended March 31, 2024 and March 31, 2023.

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-24	As at 31-Mar-23
Borrowings		
Long term and Short term borrowings	-	-
Less: cash and cash equivalents	63.52	93.64
Adjusted net debt	(63.52)	(93.64)
Total Equity	1,079.25	1,026.36
Adjusted net debt to adjusted equity ratio	-6%	-9%

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 year towards defined contribution plan

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Employer's Contribution to Provident Fund	2.60	2.29
Provident Fund Administration charges	0.11	0.09
Employer's Contribution to ESIC	-	-

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 year

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Current Service Cost	0.75	0.82
Past Service Cost	(0.95)	(0.82)
Expected return on plan assets	-	-
Interest cost on benefit obligation	-	-
Total Expenses	(0.20)	(0.00)

(ii) Expenses recognised in OCI

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Actuarial (Gain) / Losses due to Change in Financial Assumptions	(1.66)	(0.76)
Actuarial (Gain)/ Losses due to Change in Experience	-	-
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	-	-
Return on Plan Assets (Greater) / Less than Discount rate	0.42	(0.02)
Total Expenses	(1.25)	(0.78)

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

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Present value of defined benefit obligation at the end of the year	(6.21)	(3.69)
Fair Value of Plan Assets at the end of the year	22.78	16.46
Funded status [Surplus/(Deficit)]	16.57	12.77
Net (Liability)/Asset Recognized in the Balance Sheet	16.57	12.77

(iv) Movements in present value of defined benefit obligation

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Present value of defined benefit obligation at the beginning of the year	3.69	3.40
Current Service Cost	0.75	0.82
Past service cost	-	-
Interest Cost	0.27	0.23
(Liability Transferred Out/ Divestments)	-	-
Actuarial (Gain) / Losses due to Change in Financial Assumptions	0.87	(0.17)
Actuarial (Gain)/ Losses due to Change in Experience	0.70	(0.60)
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	(0.08)	-
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	6.21	3.69

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

(v) Movements in fair value of the plan assets

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Opening fair value of plan assets	16.46	15.38
Expected returns on Plan Assets	(0.17)	0.02
Actuarial (Gain)/Loss on Plan assets	-	-
Contribution from Employer	5.27	-
Benefits paid	-	-
Interest Income	1.22	1.05
Closing fair value of the plan asset	22.78	16.46

(vi) Maturity Analysis of defined benefit obligation

The weighted average duration of the defined benefit obligation is 8 years (March, 2019 – 13 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
1st following year	0.54	0.33
2nd following year	0.52	0.32
3rd following year	0.55	0.31
4th following year	0.60	0.32
5th following year	0.58	0.33
Sum of years 6 To 10	2.62	1.53
Sum of years 11 and above	6.51	4.39

(vii) Quantitative sensitivity analysis for significant assumptions

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) +100 basis points increase in discount rate	(0.42)	(0.26)
(i) -100 basis points decrease in discount rate	0.48	0.30
(iii) +100 basis points increase in rate of salary increase	0.47	0.30
(iv) -100 basis points decrease in rate of salary increase	(0.42)	(0.26)
(v) +100 basis points decrease in rate of Employee Turnover	(0.10)	(0.03)
(v) -100 basis points decrease in rate of Employee Turnover	0.11	0.03

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 year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(viii) Actuarial Assumptions

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Discount rate	7.19%	7.41%
Salary Growth rate	10.00%	8.00%
- for Next 2 years		
- for 3rd year		
- from 4th year onwards		
Rate of Employee Turnover	12.00%	10.00%
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

(ix) Risks associated with Defined Benefit Plan

1) 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.

2) 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.

3) 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.

4) 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 year ending 31 March 2024 are Rs Nil.

Centrum Insurance Brokers Limited

Notes to the Financial Statements for the year ended as at 31st March 2024

(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 year, are as follows:

(i) List of Related Parties

Relationship	Name of the Parties
1. Ultimate Holding Company	Centrum Capital Limited
2. Holding company	Centrum Retail Services Limited
3. Fellow Subsidiary	Centrum Wealth Limited Centrum Investment Advisors Limited Centrum Broking Limited Centrum Investment Advisors Limited
4. Significant Influence of director of holding company	Acapella Foods & Restaurants Private Limited
5. Key Managerial Personnel (KMP)	Mr. Balakrishna Kumar Mrs. Sharvari More (01-04-2022 to 07-07-2022) Mr. Stivan Fernandes Mr. Hemendra Sawant Mr. Anirudh Jain Mr. Venkatasubramanian Sriram

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-24	As at 31-Mar-23
Centrum Capital Limited	Business Support Fees (Branding cross charge)	1.23	1.26	-	-
	Interest Income	95.41	-	-	-
	Loan Given	2,010.00	-	1,000.00	-
	Loan Received back	1,010.00	-	-	-
Centrum Retail Services Limited	Reimbursement of other expenses	0.91	1.41	(0.05)	(0.05)
	Management Services/Operation support	100.00	100.00	-	-
	Rent Expenses	55.00	28.30	-	-
	Interest Income	23.09	115.33	-	-
	Loan Given	100.00	175.00	-	787.00
	Loan Received back	887.00	135.00	-	-
Centrum Wealth Limited	Sale of Assets (Transfer)	0.04	-	-	-
	Reimbursement of other expenses	0.17	0.22	-	-
Centrum Broking Limited	Sale of Assets (Transfer)	0.02	-	-	-
Centrum Investment Advisors Limited	Sale of Assets (Transfer)	0.02	-	-	-
Acapella Foods & Restaurants Private Limited	Staff Lunch	2.99	2.40	-	-
Key Managerial Personnel (KMP)	Salary to KMP	31.32	26.16	-	-
	Reimbursement of expenses	0.37	0.09	-	-

* Gratuity and Leave encashment has been computed for the company as a whole and hence excluded.

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-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-23
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets (measured at amortized cost)				
Trade receivables	0.75	0.75	3.01	3.01
Cash and cash equivalents	63.52	63.52	93.64	93.64
Bank balances other than (ii) above	12.10	12.10	-	-
Loans	1,000.00	1,000.00	787.00	787.00
Other financial assets	0.27	0.27	0.13	0.13
Total	1,076.64	1,076.64	883.78	883.78
Financial Liabilities (measured at amortized cost)				
Borrowings	-	-	-	-
Trade payables	102.55	102.55	52.82	52.82
Other financial liabilities	-	-	-	-
Total	102.55	102.55	52.82	52.82

Centrum Insurance Brokers Limited**Notes to the Financial Statements for the year ended as at 31st March 2024**

(All amounts in INR Lakhs, unless otherwise stated)

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.

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) Trade and Other receivables

The Company had trade and other receivables of Rs. 0.75 Lakh at March 31 2024 (Mar 31, 2023:Rs. 32.49 Lakh).

(ii) Cash and bank balances

The Company held cash and bank balance of Rs. 63.52 Lakh at March 31, 2024 (Mar 31, 2023:Rs. 93.64 Lakh). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.

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
As at 31st March 2024			
Short Term Borrowings	-	-	-
Trade Payables	102.55	-	102.55
Other financial liabilities	-	-	-
Total	102.55	-	102.55
As at 31st March 2023			
Short Term Borrowings	-	-	-
Trade Payables	52.82	-	52.82
Other financial liabilities	-	-	-
Total	52.82	-	52.82

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 is not subject to interest rate risk as there are no borrowings.

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-24	Year Ended 31-Mar-23
i) Profit after Taxes attributable to equity shareholders	52.89	1.86
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the year (nos)	1,03,99,996	1,03,99,996
iii) Weighted average number of shares outstanding at the end of the year (nos)	1,03,99,996	1,03,99,996
iv) Basic earnings per share (In INR)	0.51	0.02
v) Diluted earning per share (In INR)	0.51	0.02

28. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31-Mar-24	As at 31-Mar-23
Contingent liabilities and commitments	Nil	Nil

29. CAPITAL AND OTHER COMMITMENT

Capital expenditure contracted for the reporting year net of capital advance amounting Rs. Nil (March 31, 2023 : Nil).

Centrum Insurance Brokers Limited**Notes to the Financial Statements for the year ended as at 31st March 2024**

(All amounts in INR Lakhs, unless otherwise stated)

30. SEGMENT REPORTING

The Executive Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (AS 108), for the purpose of assessing the financial performance and position of the Company, and making strategic decisions. The Company's business activity is related to rendering of Insurance Brokerage Services in the field of Life Insurance, General Insurance, and Health Insurance, which is primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM. The Company mainly operates in India and has revenue from a single customer exceeding 10% of the total revenue.

31. RATIOS

Particulars	Numerator	Denominator	31-Mar-24	31-Mar-23	Reason for change
Current Ratio	Current Assets	Current Liabilities	4.11	10.74	Increase in current liabilities
Debt-Equity Ratio,	Borrowings	Equity	NA	NA	NA
Debt Service Coverage Ratio	Earnings available for debt coverage	Debt Service	NA	NA	NA
Return on Equity Ratio	Net profit after tax	Av. Shareholders Equity	0.05	0.00	NA
Inventory turnover ratio	NA	NA	NA	NA	NA
Trade Receivables turnover ratio	Net credit sales for the year	Av. Trade receivables	43.55	9.82	Decrease in debtors turnaround time
Trade payables turnover ratio,	Net credit purchases	Av. Trade Payables	4.48	4.91	NA
Net capital turnover ratio,	Net sales	Working Capital	0.82	0.39	NA
Net profit ratio,	Net profit after tax	Net Sales	0.06	0.00	NA
Return on Capital employed,	Earnings before interest & Tax	Equity	0.07	0.01	NA
Return on investment	NA	NA	NA	NA	NA

32. The provisions of Section 135 (Corporate Social Responsibility) of the Companies Act, 2013 read together with the rules framed there under relating to CSR initiatives which need to be undertaken by specified companies are at present not applicable to the Company.

Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company
The Company does not have any Immovable properties.

(ii) Fair Value of Investment Property
The Company does not have any Investment Property.

(iii) Revaluation of Property, plant and equipment
The Company has not revalued its property, plant and equipment and intangible assets during the current or previous year.

(iv) Loans or Advances in the nature of loans to Directors, KMPs, Promoters and related parties
The Company has not granted any Loans and Advances in the nature of loans to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms of repayment.

(v) Details of Benami Property held
There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) Borrowings against current assets
The Company has availed Bank overdraft facility against Fixed Deposit, However no Quarterly returns or statements of current assets returns were required to be filed with the Bank.

(vii) Wilful Defaulter
The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

(viii) Relationship with Struck off Companies
Company does not have any transaction with Companies that have been struck off under section 248 or section 560 of the Companies Act.

(ix) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction of charges pending to be registered with the Registrar of Companies.

(x) Compliance with number of layer of Companies
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(xi) Utilisation of Borrowed funds and share premium
(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

33. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. The financial statements were authorised for issue by the Company's Board of directors on 22-Apr-2024.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
Firm Registration No:-138639W

For and on behalf of the Board of Directors
Centrum Insurance Brokers Limited

Hemant Goyal
Proprietor
Membership No. 131566

Anirudh Jain
Director
DIN : 06739367

Hemendra Sawant
Whole Time Director
DIN : 08842983

Place : Mumbai
Date : April 22, 2024

Stivan Fernandes
CFO

Balakrishna Kumar
Company Secretary



TEL. (O): 24151330
: 24151332
MOB: 9819804377

KETAN NEGANDHI & ASSOCIATES

KETAN N NEGANDHI (B. COM., F.C.A.)
CHARTERED ACCOUNTANTS

E-mail : ketannegandhi@gmail.com

6/C VISSANJI PARK,
M.M.G.S. MARG, OPP RASTRIYA HOTEL
DADAR (E), MUMBAI 400 014.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM INVESTMENT ADVISORS LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CENTRUM INVESTMENT ADVISORS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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 Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2024, its Profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The management report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "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:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements Refer Note 29 to standalone financial statements.
 - 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.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As no dividend was declared or paid during the year by the Company, no reporting is required about the compliance to S.123 of the Act.
- vi. Based on our examination which included test checks performed, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For Ketan N Negandhi & Associates.
Chartered Accountants
FRN-116834W

Ketan N Negandhi
Proprietor
M.no.-102241

Mumbai
UDIN: 24102241BKHOSM1360
Date: 16TH APRIL 2024

Annexure 1 to the Independent Auditors' Report – March 31st, 2024

(Referred to in our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are periodically verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) As the company does not hold any immovable property, paragraph 3(i)(c) of the Order is not applicable to the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has granted unsecured loan to a company during the year, in respect of which:
- (a) We report that during the year the Company has provided loans and securities to entities as under:

Aggregate Amount granted/provided during the year:	
Subsidiary	Nil
Joint Venture	Nil
Associates	Nil
Others	6.80 crores
Balance outstanding as at Balance Sheet date in respect of above cases:	
Subsidiary	Nil
Joint Venture	Nil
Associates	NIL
Others	2.35 crores

- (b) The company has not made any investment during the year and as such reporting under clause 3(ii)(b) is not applicable.
- (c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, except Provident Fund of Rs. 2.96 Lacs the Company did not have any undisputed dues outstanding for a period of more than six months from the date payable on account of sales tax, wealth tax, customs duty, service tax, excise duty, cess, investor education and protection fund and employees' state insurance, to the extent applicable, as at March 31, 2024

(b) According to information and explanation given to us and as per the verification of records of the company, the disputed statutory dues of income tax as at March 31, 2024 on account of dispute are as follows:

A.Y.	Forum where dispute is pending	Amount
2022-23	CIT(A)	Rs. 4.53 Lacs

The unpaid demand is Rs.Nil as the refund for the year has been adjusted to the extent of disputed demand.

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not

taken any funds from any entity or person on account of or to meet the obligations of its associates.

- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) As the company does not belong to class to which vigil mechanism is applicable under the Act and Rules, clause xi (c) of the order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. As the various limits prescribed for the mandatory internal audit under the Companies Act, 2013 are not exceeded, reporting under clause 3(xiv) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company is not liable for contribution to Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Ketan N Negandhi & Associates.
Chartered Accountants
FRN-116834W

Ketan N Negandhi
Proprietor
M.no.-102241

Mumbai
UDIN: 24102241BKHOSM136
Date: 16TH APRIL 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **CENTRUM INVESTMENT ADVISORS LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **CENTRUM INVESTMENT ADVISORS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

(1) 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Ketan N Negandhi & Associates.
Chartered Accountants
FRN-116834W

Ketan N Negandhi
Proprietor
M.no.-102241

Mumbai
UDIN: 24102241BKHOSM1360
Date: 16TH APRIL 2024

Centrum Investment Advisors Limited			
Balance Sheet as at 31st March 2024			
(All amounts in INR Lakhs, unless otherwise stated)			
Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
ASSETS			
Non-current assets			
Property, plant & equipment	2A	4.52	4.18
Other Intangible assets	2B	276.75	315.50
Intangible assets under development	2C	0.50	1.80
Deferred Tax Asset (Net)	4	-	-
Other Non-Current Assets	5	160.26	71.24
		<u>442.03</u>	<u>392.72</u>
Current assets			
Financial assets			
(i) Trade receivables	6	2.45	5.20
(ii) Cash and cash equivalents	7	70.30	52.73
(iii) Bank balances other than (ii) above	8	-	91.34
(iii) Loans and Advances	3	235.00	250.00
(iv) Other financial assets		-	-
Other current assets	9	22.30	16.90
		<u>330.05</u>	<u>416.18</u>
Total		<u>772.08</u>	<u>808.89</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	211.30	211.30
Other equity	11	461.20	456.60
		<u>672.50</u>	<u>667.90</u>
LIABILITIES			
Non-current liabilities			
Provisions	12	4.91	20.04
Deferred Tax Liabilities	4	26.42	16.40
		<u>31.33</u>	<u>36.44</u>
Current liabilities			
Financial liabilities			
(i) Trade Payables	13		
(a) total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
(b) total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		0.33	0.24
(ii) Other financial liabilities	14	0.75	0.75
Provisions	12	38.80	45.28
Other current liabilities	15	28.37	58.29
		<u>68.25</u>	<u>104.55</u>
Total		<u>772.08</u>	<u>808.89</u>
The accompanying notes are an integral part of these financial statements			
As per our report of even date			
For Ketan Negandhi & Associates		For and on behalf of	
Chartered Accountants		Centrum Investment Advisors Limited	
Firm registration Number:116834W			
Proprietor		Sandeep Das	Koni Sandeep Nayak
Membership No.:102241		Director	Director
		DIN : 02889521	DIN : 03281505
Date: April 16, 2024		Dilip Bafna	
Place : Mumbai		Chief Financial Officer	

Centrum Investment Advisors Limited
Statement of Profit and Loss for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
Income			
Revenue from operations	16	1,783.87	2,122.14
Other Income	17	35.38	13.67
Total Income		1,819.24	2,135.81
Interest Income			
Employee benefit expenses	18	554.12	757.20
Depreciation and amortisation expense	19	44.15	43.12
Finance costs	20	0.04	0.91
Other expenses	21	1,201.38	1,307.74
Total expenses		1,799.69	2,108.96
Profit/(Loss) before tax		19.55	26.84
Income tax expense	22		
Current tax		1.17	(3.53)
Deferred Tax		10.97	(1.30)
Profit/(Loss) for the year - A		7.41	31.67
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of post employment benefit obligation		(3.75)	5.02
II. Income Tax relating to above items		0.94	(1.26)
Other comprehensive income for the year - B		(2.81)	3.75
Total comprehensive income for the year (A+B)		4.60	35.43
Earning per Equity Share (in INR)			
Basic		0.35	1.50
Diluted		0.35	1.50

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Ketan Negandhi & Associates
Chartered Accountants
Firm registration Number:116834W

For and on behalf of
Centrum Investment Advisors Limited

Proprietor
Membership No.:102241

Sandeep Das
Director
DIN : 02889521

Koni Sandeep Nayak
Director
DIN : 03281505

Date: April 16, 2024
Place : Mumbai

Dilip Bafna
Chief Financial Officer

Centrum Investment Advisors Limited
Statement of Changes in Equity for the year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	As on 31-03-24	As on 31-03-23
Balance at the beginning of the current reporting period	211.30	211.30
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	211.30	211.30
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	211.30	211.30

B. Other Equity

31 March 2024	Reserves and Surplus							Total
	Share application money pending allotment	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Revaluation Surplus	Other items of Other Comprehensive Income (specify nature)	
Particulars								
Balance at the beginning of the current reporting period	-	-	338.73	-	114.11	-	3.75	456.60
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	338.73	-	114.11	-	3.75	456.60
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	7.41	-	(2.81)	4.60
Balance at the end of the current reporting period	-	-	338.73	-	121.52	-	0.95	461.20

31 March 2023	Reserves and Surplus							Total
	Share application money pending allotment	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Revaluation Surplus	Other items of Other Comprehensive Income (specify nature)	
Particulars								
Balance at the beginning of the current reporting period	-	-	338.73	-	82.44	-	-	421.17
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	338.73	-	82.44	-	-	421.17
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	31.67	-	3.75	35.43
Balance at the end of the current reporting period	-	-	338.73	-	114.11	-	3.75	456.60

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Ketan Negandhi & Associates
Chartered Accountants
Firm registration Number:116834W

For and on behalf of
Centrum Investment Advisors Limited

Proprietor
Membership No.:102241

Sandeep Das
Director
DIN : 02889521

Koni Sandeep Nayak
Director
DIN : 03281505

Date: April 16, 2024
Place : Mumbai

Dilip Bafna
Chief Financial Officer

Centrum Investment Advisors Limited
Cash Flow Statement for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	19.55	26.84
Adjustments for :		
Allowances for Doubtful Debts	0.53	-
Depreciation and amortisation	44.15	43.12
Interest Income	(35.38)	(13.67)
Operating loss before working capital changes	28.85	56.30
Adjustments for:		
Increase / (Decrease) in Trade Receivables	2.22	67.77
Increase / (Decrease) in other current assets	(3.80)	6.24
Decrease/(Increase) in Trade Payables	0.09	(0.79)
Decrease/(Increase) in Other current liabilities	(29.91)	22.57
Decrease/(Increase) in Other Financial liabilities	-	(0.18)
Decrease/(Increase) in Provisions	(25.37)	(47.66)
Cash Generated from Operations	(27.92)	104.25
Taxes Paid/Refund (Including tax deducted at source)	91.78	107.04
Net cash used in Operating Activities (A)	(119.70)	211.29
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed deposit with banks	91.34	(91.34)
Purchase of Computers	(2.14)	(5.87)
Purchase of Intangible Assets	(2.30)	
Interest Received	35.38	13.48
(Payments) / Receipts of Loans and Advances	15.00	(250.00)
Net cash used in Investing Activities (B)	137.28	(333.73)
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash generated from Financing Activities (C)	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents: (A+B+C)	17.58	(122.43)
Cash and Bank Balance		
As at the beginning of the Period		
Cash in hand including foreign currencies	-	-
Balance with scheduled banks-current accounts	52.73	175.16
	52.73	175.16
Closing cash and cash equivalents	70.30	52.73
As at the end of the year (refer note 7)		
Cash in hand including foreign currencies		-
Balance with scheduled banks-Current accounts	70.30	52.73
Closing cash and cash equivalents	70.30	52.73

The above cash flow statements have been prepared under the indirect method setout in IND AS-7 'Statement of Cash Flows'.

The accompanying notes are an integral part of these financial statements
As per our report of even date

For Ketan Negandhi & Associates
Chartered Accountants
Firm registration Number:116834W

For and on behalf of
Centrum Investment Advisors Limited

Proprietor
Membership No.:102241

Sandeep Das
Director
DIN : 02889521

Koni Sandeep Nayak
Director
DIN : 03281505

Date: April 16, 2024
Place : Mumbai

Dilip Bafna
Chief Financial Officer

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended March 31, 2024

Corporate Information

Centrum Investment Advisors Limited ('CIAL' or 'the company') was incorporated on 24th September, 2015 with an object to carry on business of Financial Planning and Investment Advisory Service.

1.0 Material Accounting Policies

1.1 Basis of Preparation

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention and on accrual basis of accounting unless stated otherwise. GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Section 133 of the Companies Act, 2013 (The 'Act'), pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied to all the years presented.

The Company has also adopted amendments to Ind AS 1, as required under Companies (Indian Accounting Standards) Amendment Rules, 2023. The amendments require the disclosure of 'material' rather than 'significant' accounting policies.

1.2 Statement of Compliance

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

1.3 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

1.4 Intangible assets

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

Acquired intangible assets are initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

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

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

Intangible assets are amortised over their estimated useful life of 10 years.

Subsequent expenditure

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

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

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

1.5 Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company is 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

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended March 31, 2024

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.

1.6 Revenue recognition

Revenue is measured at transaction price (net of variable consideration) based on the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

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

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

Revenue from Investment Advisory services

Revenue related to Investment Advisory services is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers.

Brokerage and commission income

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers. Revenue, where there is no uncertainty as to measurement or collectability of consideration but invoicing has not been completed are recognised as unbilled revenues.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income:

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

1.7 Taxation

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

Current tax

The current income tax charge is calculated based on 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 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.

Current and deferred tax for the year

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.

1.8 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.

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	At fair value plus transaction costs that are directly attributable to	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and

Centrum Investment Advisors Limited

Notes to the Financial Statements for the year ended March 31, 2024

		financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	the acquisition of the financial asset	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 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	At fair value plus transaction	Change in fair value of such instrument are recorded in OCI.

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended March 31, 2024

		irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	costs that are directly attributable to the acquisition of the financial asset	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. 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:

- a) Trade receivables.

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

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended March 31, 2024

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.

(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 as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the net assets of an entity. 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 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)

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended March 31, 2024

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings from banks
- Borrowings from others
- 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 re measurement, 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. 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. The legally enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

1.9 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.

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Notes to the Financial Statements for the year ended March 31, 2024

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

1.10 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.

1.11 Cash and cash equivalent:

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank.

1.12 Earnings per share:

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

1.13 Current/ Non-current classification:

An assets is classified as current if:

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

All other assets are classified as non-current.

A liability is classified as current if:

- (e) it is expected to be settled in normal operating cycle;
- (f) it is held primarily for the purpose of trading;
- (g) it is expected to be settled within twelvemonths after the reporting period;
- (h) it has no unconditional right to defer the settlement of the liability for at least twelvemonths after the reporting period.

All other liabilities are classified as non-current.

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

history, existing market condition as well as forward looking estimates at the end of each reporting period.

- c. 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.
- d. Social Security Code :** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However the date on which the code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- e. Disclosure of Transactions with struck off companies:** During this financial year there are no transactions done with struck off companies.
- f. Foreign Currency Transactions and Balances:** Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are taken to the income statement.
- g. Details of Crypto Currency or Virtual Currency:** Company has not made trade in Crypto currency or Virtual Currency

2A. Property, plant & equipment

Particulars	Office Equipments	Computers	Total
Gross Block			
As at 31 March, 2022	0.65	4.78	5.43
Additions - March 23	-	2.97	2.97
Disposals - March 23	-	-	-
As at 31 March, 2023	0.65	7.75	8.40
Additions - March 24	-	2.14	2.14
Disposals - March 24	-	-	-
As at 31 March, 2024	0.65	9.89	10.54
Accumulated Depreciation			
As at 31 March, 2022	0.64	2.40	3.04
Additions - March 23	0.01	1.17	1.18
Disposals - March 23	-	-	-
As at 31 March, 2023	0.65	3.57	4.22
Additions - March 24	-	1.80	1.80
Disposals - March 24	-	-	-
As at 31 March, 2024	0.65	5.37	6.02
Net Block			
As at 31 March, 2024	-0.00	4.52	4.52
As at 31 March, 2023	-0.00	4.18	4.18

(Note: The Company has not revalued any of its Property, Plant and Equipment during the year)

2B. Other Intangible assets

Particulars	Computer Software
Gross Block	
As at 31 March, 2022	419.18
Additions - March 23	1.10
Disposals - March 23	-
As at 31 March, 2023	420.28
Additions - March 24	3.60
Disposals - March 24	-
As at 31 March, 2024	423.88
Accumulated Depreciation	
As at 31 March, 2022	62.82
Additions - March 23	41.96
Disposals - March 23	-
As at 31 March, 2023	104.78
Additions - March 24	42.35
Disposals - March 24	-
As at 31 March, 2024	147.13
Net Block	
As at 31 March, 2024	276.75
As at 31 March, 2023	315.50

2C. Intangible assets under development

Particulars	Intangible Assets Under Development
As at 31 March, 2022	-
Additions - March 23	-
Disposals - March 23	-
As at 31 March, 2023	1.80
Additions - March 24	0.50
Disposals / Adjustments - March 24	1.80
As at 31 March, 2024	0.50

Amount in Intangible Assets under Development for a period of	As at March 31, 2024		As at March 31, 2023	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	0.50	-	1.80	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	0.50	-	1.80	-

3. Loans (Unsecured, considered good unless otherwise stated)	As at 31-Mar-24	As at 31-Mar-23
Current		
Loans to others	-	-
Loans to Related Parties*	235.00	250.00
Non current		
Loans to Related Parties*	-	-
Less: Loss Allowance for doubtful loans	-	-
Total Current	235.00	250.00
Total Non-Current	-	-
*(Short term loan - Interest rate - 14%, p.a Payable annually, Maturity date - 30th March,2025)		
Breakup of Security details		
Loans considered good - secured	235.00	250.00
Loans considered good - unsecured	-	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Less :Loss Allowance for doubtful loans	-	-
Total Loans	235.00	250.00

Loans and Advances granted to Promotors , Directors , KMPs, and Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding as on 31/03/2024	Amount of loan or advance in the nature of loan outstanding as on 31/03/2023
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	235.00	250.00

4. DEFERRED TAX ASSETS / LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Opening Balance:	(16.40)	(16.43)
Deferred Tax asset on account of :		
Depreciation/Amortisation on property plant and equipments and Intangible assets	-	-
Provision for Doubtful Debts	2.65	-
Provision for Employee Benefit Obligations	-	-
Provision for Expenses Payable	-	-
Carry Forwarded Tax Losses	(7.39)	7.10
Deferred tax liability on account of:		
Depreciation/Amortisation on property plant and equipments and Intangible assets	(0.73)	(3.97)
Provision for Doubtful Debts	-	-
Provision for Employee Benefit Obligations	(4.55)	(3.10)
Provision for Expenses Payable	-	-
Carry Forwarded Tax Losses	-	-
	(26.42)	(16.40)

MOVEMENT IN DEFERRED TAX ASSETS AND LIABILITIES

Particulars	Property, plant & equipment	Provision for Employee benefits	Carry forward losses	Provision for Doubtful Debts and others	Total
As at 31st March 2022	(30.61)	13.62	-	0.56	(16.43)
Charged / (Credited)					
- to profit or loss	(3.97)	(3.10)	8.37	-	1.29
- to other comprehensive income			(1.26)		(1.26)
As at 31st March 2023	(34.58)	10.52	7.10	0.56	(16.40)
Charged / (Credited)					
- to profit or loss	(0.73)	(4.55)	(7.39)	2.65	(10.03)
- to other comprehensive income				-	-
As at 31st March 2024	(35.31)	5.97	(0.29)	3.21	(26.42)

5. Other Non-Current Assets (Unsecured, considered good unless otherwise stated)	As at 31-Mar-24	As at 31-Mar-23
Advance Tax (Net of Provision for Tax - 1.23 lakhs, PY -NIL)	156.65	66.04
Prepaid Expenses	3.61	5.20
Total	160.26	71.24

6. TRADE RECEIVABLES	As at 31-Mar-24	As at 31-Mar-23
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	5.19	7.41
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
Less :Allowances for doubtful trade receivables	(2.74)	(2.21)
Total	2.45	5.20

Trade Receivables ageing schedule

As on 31-03-2024						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2.67	0.22	0.09	2.21		5.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

As on 31-03-2023						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5.03	0.17		2.21	-	7.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

7. CASH AND CASH EQUIVALENTS	As at 31-Mar-24	As at 31-Mar-23
Cash on hand	-	-
Balances with banks -In current accounts	70.30	52.73
Total	70.30	52.73

8. OTHER BANK BALANCES	As at 31-Mar-24	As at 31-Mar-23
Deposit with original maturity of more than 3 months and less than 12 months	-	91.34
	-	91.34

9. OTHER CURRENT ASSETS	As at 31-Mar-24	As at 31-Mar-23
Advance to creditor	-	0.49
Advance to employee	0.67	0.21
Prepaid Expenses	9.27	7.81
Accrued Interest on FD & ICD	-	0.18
Contract Assets	12.36	8.21
	22.30	16.90

10. SHARE CAPITAL

	As at 31-Mar-24	As at 31-Mar-23
Authorised Share Capital		
25,00,000 (31-Mar-23: 25,00,000) equity shares of Rs. 10 each	250.00	250.00
Total	250.00	250.00
Issued, subscribed and fully paid up Share Capital		
21,13,000 (31-Mar-23: 21,13,000) equity shares of Rs. 10 each	211.30	211.30
Total	211.30	211.30

10.a Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
Balance as at the beginning of the year	21,13,000	211.30	21,13,000	211.30
Increase/Decrease during the year	-	-	-	-
Balance as at the end of the year	21,13,000	211.30	21,13,000	211.30

10.b Rights, preferences and restrictions attached to shares

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.

10.c Particulars of shareholders holding more than 5% of aggregate shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	%	No of shares	%
Centrum Wealth Limited	21,13,000	100%	21,13,000	100%

10.d Particulars of Shareholding of Promoters

Promoter name	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	%of total shares	No. of Shares	%of total shares
Centrum Wealth Limited	21,13,000	100%	21,13,000	100%

11. OTHER EQUITY

	As at 31-Mar-24	As at 31-Mar-23
Opening Balance	117.87	82.44
Profit for the year	7.41	31.67
Other comprehensive income	(2.81)	3.75
Closing Balance	122.47	117.87
Securities Premium	338.73	338.73
As at 31st March, 2024	461.20	456.60

12. Provisions

	As at 31-Mar-24	As at 31-Mar-23
Provision for Gratuity		
Current	16.97	19.11
Non current	1.35	16.43
Provision for Compensated Absences		
Current	0.69	1.50
Non current	3.56	3.62
Provision for Other Employee Benefits		
Current	16.09	11.23
Non current	-	-
Other Provisions		
Current	5.04	13.44
Non current	-	-
Total Current	38.80	45.28
Total Non-Current	4.91	20.04

13. TRADE PAYABLES

	As at 31-Mar-24	As at 31-Mar-23
Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises *	0.33	0.24
Total	0.33	0.24
Note:		
*Total outstanding dues to Related Parties	-	-

Trade Payables ageing schedule

Particulars	Outstanding as on 31/03/2024 from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	0.33	-	-	-	0.33
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.33	-	-	-	0.33

Particulars	Outstanding as on 31/03/2023 from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	0.24	-	-	-	0.24
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.24	0.00	0.00	0.00	0.24

Note: No interest has been paid/ is payable by the company during the year to ‘Suppliers’ registered under MSME Act,2006. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicabilities under the said Act.

Trade Payables includes Nil (Previous Year Nil) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. Interest paid by the Company during the year to “Suppliers” registered under this Act is Nil (Previous Year Nil). The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

14. OTHER FINANCIAL LIABILITIES

	As at 31-Mar-24	As at 31-Mar-23
Other payables	0.75	0.75
Total	0.75	0.75

15. OTHER CURRENT LIABILITIES

	As at 31-Mar-24	As at 31-Mar-23
Statutory dues payable	28.37	58.30
Total	28.37	58.30

16. REVENUE FROM OPERATIONS

	Year ended 31-Mar-24	Year ended 31-Mar-23
Advisory Fees	44.16	30.86
Brokerage & Commission	1,739.71	2,091.28
Total	1,783.87	2,122.14

17. OTHER INCOME

	Year ended 31-Mar-24	Year ended 31-Mar-23
Interest Income - ICD	34.97	0.20
Interest on FD	0.41	0.79
Interest on Income Tax Refund	-	12.49
Miscellaneous Income	0.00	0.18
Total	35.38	13.67

18. EMPLOYEE BENEFITS EXPENSE	Year ended 31-Mar-24	Year ended 31-Mar-23
Salaries	529.74	720.55
Contributions to provident fund and other Fund	24.39	36.65
Total	554.12	757.20
19. DEPRECIATION AND AMORTIZATION EXPENSE	Year ended 31-Mar-24	Year ended 31-Mar-23
Depreciation on property, plant and equipment	1.80	1.16
Amortization of Intangible Assets	42.35	41.96
Total	44.15	43.12
20. FINANCE COSTS	Year ended 31-Mar-24	Year ended 31-Mar-23
Interest on statutory dues	0.04	0.91
Total	0.04	0.91
21. OTHER EXPENSES	Year ended 31-Mar-24	Year ended 31-Mar-23
Audit fees (Refer note below)	0.75	0.25
Business Support Services	84.31	72.57
Referral Fees	869.86	930.20
Data Subscription and IT repairs and Maintenance	74.16	90.61
Legal & professional fees	77.27	148.69
Rent Expenses	41.17	37.15
Other office Expenses	46.83	21.01
Utility Expenses	6.50	7.27
Allowances for Doubtful Debts	0.53	-
Total	1,201.38	1,307.74
Note: Auditors' remuneration		
Audit Fees - Statutory Audit	0.75	0.25
Total	0.75	0.25
22. INCOME TAX EXPENSE	Year ended 31-Mar-24	Year ended 31-Mar-23
Current Income tax charge	1.17	-
Adjustments in respect of current income tax of previous year	-	(3.53)
Deferred tax	10.03	(1.30)
Income tax expense	11.20	(4.83)
Reconciliation of Taxes to the amount computed by applying statutory income tax rate to the income before taxes is summarized below		
	Year ended 31-Mar-24	Year ended 31-Mar-23
Profit/(Loss) before income tax expense	19.55	26.84
Computed tax charge on applicable tax rates in India - Tax Rate - 25.17% (31st Mar,2023-25.17%)	4.92	6.76
Tax effect of:		
Permanent Disallowances	1.82	-
DTA recognised / Reversal	-	(7.10)
Reversal of previous year taxes	4.35	(3.53)
Sundry Items	0.10	0.31
Adjustment of Deferred Tax through OCI	-	(1.26)
Income Tax at effective tax rate	11.20	(4.83)
Effective Tax Rate	57.25%	-17.99%

23 EARNING PER SHARE

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
i) Profit after Taxes attributable to equity shareholders	4.60	35.43
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the year (nos)	21,13,000	21,13,000
iii) Weighted average number of shares outstanding at the end of the year (nos)	21,13,000	21,13,000
iv) Basic earnings per share (In INR)	0.22	1.68
v) Diluted earning per share (In INR)	0.22	1.68

24 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital.

The Company has adequate cash and bank balances and no interest bearing liabilities. The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of the debt equity ratio etc. may not be of any relevance to the Company.

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, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As at 31-Mar-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-23
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets (measured at amortized cost)				
Cash and cash equivalents	70.30	70.30	52.73	52.73
Trade receivables	2.45	2.45	5.20	5.20
Loans	235.00	235.00	250.00	250.00
Other financial assets	-	-	-	-
Total	307.75	307.75	307.93	307.93
Financial Liabilities (measured at amortized cost)				
Borrowings				
Trade payables	0.33	0.33	0.24	0.24
Other financial liabilities	0.75	0.75	0.75	0.75
Total	1.08	1.08	0.99	0.99

Measurement of fair value

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

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

Fair Value Hierarchy

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

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

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

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Notes to the Financial Statements for the year ended 31st March, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans, security deposits etc were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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) Trade and Other receivables

The Company had trade and other receivables of Rs. 2.45 Lakh at March 31, 2024 (Mar 31, 2023: Rs.5.20 Lakh) which being short term in nature.

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

The allowance for expected credit loss on trade receivables for year ended 31st March, 2024 and year ended 31st Mar, 2023 was 2.74 Lakhs and 2.21 Lakhs respectively. The reconciliation for allowance of trade receivables is as follows

Particulars	(Rs in Lakhs)	
	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Balance at the beginning of the year	(2.21)	(2.21)
Change during the year	0.53	-
Balance at the end of the year	(2.74)	(2.21)

(ii) Loans and Advances

The Company had loans and advances of Rs. 235 lakh at 31st March 2024 (31st March, 2023: Rs. 250 Lakhs).

All of the entity's debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(iii) Cash and bank balances

The Company held cash and bank balance of INR 70.30 Lakhs at March 31, 2024 (March 31, 2023: INR 52.73 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the company to credit risk.

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 and other 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
As at 31st March, 2024			
Trade Payables	0.33	-	0.33
Other Current Liabilities	28.37	-	28.37
Other financial liabilities	0.75	-	0.75
Total	29.46	-	29.46
As at 31st March, 2023			
Trade Payables	0.24	-	0.24
Other Current Liabilities	58.29	-	58.29
Other financial liabilities	0.75	-	0.75
Total	59.28	-	59.28

C. Cash Flow and Fair Value Interest Rate Risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to interest rate risk since there are no borrowings.

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 EMPLOYEE BENEFITS

(1) Long term employee benefit obligations

The leave obligations cover the Company's liability for casual and earned leave.

The compensated absences charge for the year ended March 31, 2024 amounting to Rs. (0.86) Lakhs (March 31, 2023 Rs. 4.31 Lakhs) has been charged in the Statement of Profit and Loss.

(2) Post employment obligations

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	(Rs. in lakhs)	
	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Employer's Contribution to Provident Fund	22.32	33.29

Defined contribution plans

Gratuity

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

(a) Actuarial Assumptions	Year ended 31-Mar-24	Year ended 31-Mar-23
Discount rate (Per annum)	7.19%	7.35%
Expected rate of return on assets	7.19%	7.35%
Rate of increase in compensation levels (Per annum)	8.00% p.a.	8.00% p.a.
Attrition Rate (Per annum)	10%	10%

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended 31st March, 2024
(All amounts in INR Lakhs, unless otherwise stated)

(b) Changes in the Present Value of Defined Benefit Obligation	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening defined benefit obligation	51.41	43.55
Interest cost	3.59	3.00
Current service cost	4.94	9.87
Liability Transferred In/ Acquisitions	-	-
Benefit paid	(37.47)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.54)	-
Actuarial (Gain)/Losses on Obligations - Due to Change in Financial Assumption	2.73	(0.69)
Actuarial (Gain)/Losses on obligations- Due to Change in Experience	1.14	(4.32)
Closing defined benefit obligation	25.80	51.41
(c) Changes in the Fair Value of Plan Assets	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening fair value of plan assets	15.87	-
Interest Income	0.98	-
Expected Return on Plan Assets	-	-
Contributions by employer	10.00	15.87
Transfer from other Company	18.53	-
Transfer to other Company	-	-
Benefit paid	(37.47)	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan assets at the end of the year	-	-
Return on Plan Assets, Excluding Interest Income	(0.43)	-
Total Actuarial Gain / (Loss) to be recognized	7.48	15.87
(d) Actual Return on Plan Assets	Year ended 31-Mar-24	Year ended 31-Mar-23
Expected Return on Plan Assets	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Actual Return on Plan Assets	-	-
(f) Expenses recognised in the Statement of Profit or Loss	Year ended 31-Mar-24	Year ended 31-Mar-23
Current service cost	4.94	9.87
Interest cost	2.61	3.00
Expenses recognised in the Statement of Profit and Loss	7.56	12.87
(g) Balance Sheet Reconciliation	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening net liability	35.53	43.55
Expenses recognised in Statement of Profit or Loss	7.56	12.87
Expenses Recognized in OCI	3.75	(5.02)
Net Liability/(Asset) Transfer In	(18.53)	-
Employer's Contribution	(10.00)	(15.87)
Net Liability/(Asset) recognised in Balance Sheet	18.31	35.53
(h) Maturity Analysis of defined benefit obligation	Year ended 31-Mar-24	Year ended 31-Mar-23
1st Following Year	9.00	32.69
2nd Following Year	0.96	3.59
3rd Following Year	1.42	1.31
4th Following Year	1.64	1.58
5th Following Year	1.80	1.69
Sum of Years 6 To 10	8.14	7.82
Sum of Years 11 and above	23.31	23.64
(i) Quantitative sensitivity analysis for significant assumptions	Year ended 31-Mar-24	Year ended 31-Mar-23
Delta Effect of +1% Change in Rate of Discounting	(1.40)	(1.39)
Delta Effect of -1% Change in Rate of Discounting	1.62	1.61
Delta Effect of +1% Change in Rate of Salary Increase	1.43	1.43
Delta Effect of -1% Change in Rate of Salary Increase	(1.32)	(1.35)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.48)	(0.22)
Delta Effect of -1% Change in Rate of Employee Turnover	0.52	0.23

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended 31st March, 2024
(All amounts in INR Lakhs, unless otherwise stated)

28. Related Party disclosures

a. Details of related parties:

Description of relationship	Name of the related party
Holding Company	Centrum Wealth Limited
Holding Company of Holding Company	Centrum Retail Services Limited
Ultimate Holding Company	Centrum Capital Limited
Significant Influence of director of Ultimate Holding company	Acapella Foods & Restaurants Private Limited
Fellow Subsidiary	Centrum International Services Pte Limited
Fellow Subsidiary	Centrum Broking Limited
Fellow Subsidiary	Centrum Financial Services Limited
Fellow Subsidiary	Centrum Insurance Brokers Limited
Director	Sandeep Das
Director	Koni Sandeep Nayak
Director	DeePa Poncha
Director	Rajendra Naik
Chief Financial Officer	Dilip Bafna

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31 March 2024	Year ended 31 March 2023	As at 31 March 2024	As at 31 March 2023
Centrum Capital Limited	Brokerage and Commission Income	-	893.39	-	-
	Branding and Trade license cost	6.41	6.51	-	-
	Interest Income	29.54	-	-	-
	Loan Given	345.00	-	-	-
	Loan Received back	345.00	-	-	-
Centrum Retail Services Limited	Brokerage and Commission Income	678.06	1,082.84	-	-
	Reimbursement of other expenses	6.76	7.07	(0.40)	(0.39)
	Business Support Services	50.00	50.00	-	-
	Rent Expenses	39.93	36.41	-	-
	Interest Income	5.34	0.10	-	-
	Inter-corporate Deposit Given	100.00	250.00	-	250.00
	Inter-corporate Deposit Taken Back	350.00	-	-	-
Acapella Foods & Restaurants Private Limited	Staff Lunch	9.60	12.55	(0.71)	-
Centrum International Services Pte Limited	Business Support Advisory	-	99.36	-	-
Centrum Broking Limited	Reimbursement of other expenses	0.50	0.80	-	-
Centrum Wealth Limited	Referral Fees Expenses	869.86	929.17	-	-
	Reimbursement of other expenses	1.05	1.84	-	-
	Purchase of Asset	1.53	-	-	-
	Inter-corporate Deposit Given	235.00	-	235.00	-
	Interest Income	0.09	-	-	-
Centrum Financial Services Ltd	Brokerage and Commission Income	1,061.66	-	-	-
Centrum Insurance Brokers Ltd	Purchase of Fixed Assests	0.02	-	-	-
Key Managerial Personnel	Salaries and other employee benefits to KMP's	17.94	-	-	-

29. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31-Mar-24	As at 31-Mar-23
Income tax Demands - Disputed in Appeal*	4.53	Nil

* Future cash outflows in respect of above are determinable only on receipt of judgements /decisions pending with various forums/authorities. It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demand are not sustainable and expects to succeed in its appeal. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations

30. CAPITAL AND OTHER COMMITMENT

Capital expenditure contracted for the reporting year net of capital advance amounting Rs. 0.50 Lakh (Mar 31, 2023 : Nil).

31. SEGMENT REPORTING

The Board of Directors of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (AS 108), for the purpose of assessing the financial performance and position of the Company, and making strategic decisions. The Company is engaged in the business of Financial Planning and Investment Advisory Services, which is primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM. The Company mainly operates in India and there is no reportable secondary geographical segment.

32. RATIOS

Particulars	Numerator	Denominator	31-Mar-24	31-Mar-23	Reason for change
Current Ratio	Current Assets	Current Liabilities	4.84	3.98	Decrease in trade payables
Debt-Equity Ratio,	Borrowings	Equity	NA	NA	NA
	Earnings available for debt coverage	Debt Service	NA	NA	NA
Debt Service Coverage Ratio			0.02	0.17	Deferred Tax Recognition in Current year
Return on Equity Ratio	Net profit after tax	Av. Shareholders Equity			
Inventory turnover ratio	NA	NA	NA	NA	NA
Trade Receivables turnover ratio	Net credit sales for the year	Av. Trade receivables	466.30	54.30	Decrease in average trade receivables
Trade payables turnover ratio	Net credit purchases	Av. Trade Payables	4193.44	2067.19	Decrease in trade payables
Net capital turnover ratio	Net sales	Working Capital	8.44	10.04	NA
Net profit ratio	Net profit after tax	Net Sales	0.003	0.02	Increase in other expenses
Return on capital employed	Earnings before interest & Tax	Equity+Borrowings	0.03	0.04	Decrease in sales
Return on investment	NA	NA	NA	NA	NA

33. The provisions of Section 135 (Corporate Social Responsibility) of the Companies Act, 2013 read together with the rules framed there under relating to CSR initiatives which need to be undertaken by specified companies are at present not applicable to the Company.

34. Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company
The Company does not have any Immovable properties.

(ii) Fair Value of Investment Property
The Company does not have any Investment Property.

(iii) Revaluation of Property, plant and equipment
The Company has not revalued its property, plant and equipment and intangible assets during the current or previous year.

(iv) Loans or Advances in the nature of loans to Directors, KMPs, Promoters and related parties
The Company has not granted any Loans and Advances in the nature of loans to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms of repayment.

Centrum Investment Advisors Limited
Notes to the Financial Statements for the year ended 31st March, 2024
(All amounts in INR Lakhs, unless otherwise stated)

(v) Details of Benami Property held

There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) Borrowings against current assets

The Company has no borrowings from bank or financial institutions on the basis of security of current assets.

(vii) Wilful Defaulter

The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

(viii) Relationship with Struck off Companies

Company does not have any transaction with Companies that have been struck off under section 248 or section 560 of the Companies Act.

(ix) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges pending to be registered with the Registrar of Companies.

(x) Compliance with number of layer of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(xi) Utilisation of Borrowed funds and share premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. The financial statements were authorised for issue by the Company's Board of directors on 16th April 2024.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Ketan Negandhi & Associates
Chartered Accountants
Firm registration Number:116834W

For and on behalf of
Centrum Investment Advisors Limited

Proprietor
Membership No.:102241

Sandeep Das
Director
DIN : 02889521

Koni Sandeep Nayak
Director
DIN : 03281505

Date: April 16, 2024
Place : Mumbai

Dilip Bafna
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS CENTRUM RETAIL SERVICES LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Centrum Retail Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material 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, 2024, its profit (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.

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. The Director's Report is expected to be made available to us after the date of this auditor's report.

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 identified above, when it becomes available 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.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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.

The Board of Directors is 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, 2020 ("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) (A) 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;
 - 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. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure 2**";
 - g. 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 remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigation on its financial position as at 31st March, 2023 in its financial statements – Refer Note No. 32;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. No dividend has been declared or paid during the year by the company, therefore no reporting is required about compliance to Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024

which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Sushil T Jain
Partner
Membership No. 033809

UDIN: 24033809BKARWX5533
Place: Mumbai
Date: 29.04.2024

Annexure 1 to the Independent Auditor's Report

Referred to in paragraph 1 under the section "Report on Other Legal and Regulatory Requirements" of Independent Auditor's Report of even date to the members of **Centrum Retail Services Limited** on the Ind AS Financial Statements for the year ended March 31, 2024.

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)(A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of verification which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with this programme, certain Property, Plant and Equipment were verified during the year. No material discrepancies were noticed on such verification.

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

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause 3(i)(e) of the Order are not applicable to the company.

ii. (a) As explained to us, the company does not own any inventory and therefore the reporting under paragraph 3(ii)(a) of the Order is not applicable.

(b) According to information and explanations given by the management, the Company has not been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and reporting under clause 3(ii)(b) of the said Order is not applicable to the Company.

iii. According to the information and explanations given to us, the company has made investments in subsidiary and granted loans, secured and unsecured, to companies, Limited Liability Partnerships and other parties during the year.

(a) According to information and explanations given to us, the company has not provided guarantee but has granted unsecured as well as secured loans to companies, limited liability partnership and other parties during the year.

(A) During the year, Company has provided loans to its subsidiary and associate companies, the details of which are as follows:

	Guarantees	Loans
Aggregate amount granted/provided during the year		
- Subsidiaries	-	22,740 lakhs
- Associates	-	96,419 lakhs
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	-	Nil
- Associates	-	Nil

(B) During the year, Company has provided loans to parties other than subsidiary and associate companies, the details of which are as follows:

	Loans
Aggregate amount granted/provided during the year	
- Others	41,895 lakhs
Balance outstanding as at balance sheet date in respect of above cases	
- Others	61,380 lakhs

(b) As per the information and explanation given by management and to the best of our knowledge and belief, we state that loans and advances made by the company are, prima facie, not prejudicial to the interest of the company;

(c) In respect of such loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular except for the below cases: -

(Rs. In Lakhs)

Name of the Entity	Amount	Due Date	Date of Payment	Extent of Delay	Remarks (if any)
Agile Creative Ventures Private Limited (Loan – Principal)	14.38 14.38 14.38 14.38 14.38 14.38 14.38	30.06.2022 30.09.2022 31.12.2022 31.03.2023 30.06.2023 30.09.2023 31.12.2023 31.03.2024	-	641 Days 549 Days 457 Days 367 Days 276 Days 184 Days 92 Days 1 Day	The company has disbursed Rs. 115 lakhs on 31.03.2021 repayable in 8 quarterly instalments. The party has defaulted on repayment of loan and payment of interest. The company has made full provisions against this loan and interest.
Agile Creative Ventures Private Limited (Accrued Interest)	0.30 4.59 4.64 4.64 5.69 4.59 4.64 4.64 4.54 4.57 4.63 4.63 4.57	31.03.2021 30.06.2021 30.09.2021 31.12.2021 31.03.2022 30.06.2022 30.09.2022 31.12.2022 31.03.2023 30.06.2023 30.09.2023 31.12.2023 31.03.2024	-	1097 Days 1006 Days 914 Days 822 Days 732 Days 641 Days 549 Days 457 Days 367 Days 276 Days 184 Days 92 Days 1 Day	
Axis Spaces Pvt Ltd (Unsecured Loan) (Accrued Interest)	2.28 89.40 581.10 583.08	24.07.2019 31.03.2021 31.03.2022 31.03.2023		1713 Days 1097 Days 732 Days 367 Days	-

Axis Spaces Private Limited (Secured Loan) (Accrued Interest)	24.36	31-03-2021	Rs.223.31 lakhs on 20.07.2023	842 Days	The borrower paid the interest accrued of Rs. 223.31 lakhs towards principal on 22nd July, 2023 against accrued interest aggregating to Rs. 487.15 lakhs.
	11.13	31-12-2021		822 Days	
	21.81	30-06-2021		751 Days	
	46.85	31-03-2022		732 Days	
	22.05	30-09-2021		659 Days	
	16.83	30-06-2022		641 Days	
	22.05	31-12-2021		567 Days	
	17.01	30-09-2022		549 Days	
	21.57	31-03-2022		477 Days	
	17.01	31-12-2022		457 Days	
	23.24	06-07-2022		380 Days	
	54.14	31-03-2023		367 Days	
	20.61	30-09-2022		294 Days	
	16.78	30-06-2023		276 Days	
22.05	31-12-2022	202 Days			
16.97	30-09-2023	184 Days			
21.57	31-03-2023	112 Days			
16.97	31-12-2023	92 Days			
19.87	30-06-2023	21 Days			
54.28	31-03-2024	1 Day			
Beyond Infinity Business Solutions Pvt. Ltd. (Loan – Principal)	9,915.00	30.09.2023	Various dates in Nov'23	52 Days	The loan of Rs. 15,015 lakhs was due on 30.09.2023 vide term sheet dtd. 01.04.2022 out of which repayment of Rs. 5,100 lakhs was received before due date and balance repayment of Rs. 9,915 lakhs was received in Nov'23.
Beyond Infinity Business Solutions Pvt. Ltd. (Accrued Interest)	926.74 637.21	30.09.2023 31.03.2024	20.11.2023 -	52 Days 1 Day	-
Modulus Alternatives Investment Managers Limited (Loan – Principal)	830.00	28.04.2023	11.10.2023	167 Days	All amounts were received in full and loan A/c is closed.

Modulus Alternatives Investment Managers Limited (Accrued Interest)	60.05	28.04.2023	11.10.2023	167 Days	
Club 7 Holidays Pvt Limited (Loan – Principal)	225.00	20.10.2023	30.01.2024	154 Days	All amounts were received in full and loan A/c is closed.
Club 7 Holidays Pvt Limited (Accrued Interest)	4.97 6.99 7.74 7.82 7.82 7.65 7.68 7.76 7.76 2.45	31.12.2021 31.03.2022 30.06.2022 30.09.2022 31.12.2022 31.03.2023 30.06.2023 30.09.2023 31.12.2023 30.01.2024	30.01.2024	761 Days 671 Days 580 Days 488 Days 396 Days 306 Days 215 Days 123 Days 31 Days 1 Day	
Duddu Finlease Limited (Loan – Principal)	500.00	04.04.2023	31.03.2024	1 Day	The loan of Rs. 5 crore was originally due on 04.04.2023. Later, the term was extended by one year. The repayment of the loan and payment of accrued interest was received on 31.03.2024.
Duddu Finlease Limited (Accrued Interest)	58.70	04.04.2023	31.03.2024	363 Days	
Gundlupet Finance and Investment Private Limited (Accrued Interest)	53.38	30.06.2023	30.09.2023	93 Days	-

Hawk Capital Private Limited (Loan – Principal)	500.00 555.00	28.04.2023 28.04.2023	16.06.2023 27.10.2023	50 Days 183 Days	All amounts were received in full and loan A/c is closed.
Hawk Capital Private Limited (Accrued Interest)	50.34	28.04.2023	27.10.2023	183 Days	
Heal Institute Private Limited (Loan – Principal)	85.10	31.03.2018	-	2193 Days	The loan was renewed till 31.03.2022. The company again renewed the loan in FY 2022-23 as the party defaulted in repayment. The company further extended the loan to 31.03.2024 vide term sheet dtd. 01.04.2023. Therefore, the due date and the extent of delay is taken as per the term sheet entered at the time of granting of loan.
Heal Institute Private Limited (Accrued Interest)	7.29 11.06 9.95 11.06 35.36 11.06 11.06	31.03.2018 31.03.2019 31.03.2020 31.03.2021 31.03.2022 31.03.2023 31.03.2024	-	2193 Days 1828 Days 1462 Days 1097Days 732 Days 367 Days 1 Day	
Top Class Capital Markets Private Limited (Loan – Principal)	11,073.00	31.03.2019	-	1828 Days	The loan was renewed till 31.03.2022. However, no repayment has been received till that date and, the company has further extended the same till 31.05.2024. Therefore,

Top Class Capital Markets Private Limited (Accrued Interest)	1,371.06 1,443.43 1,439.49 1,417.90 1,068.28	31.03.2019 31.03.2020 31.03.2021 31.03.2022 31.03.2023	-	1828 Days 1462 Days 1097Days 732 Days 367 Days	the due date and the extent of delay is taken as per the term sheet entered at the time of granting of loan.
Yule Investments Private Limited (Loan – Principal)	8,450.00	31.03.2019	-	1828 Days	The loan of Rs. 12,400 lakhs loan was renewed till 31.03.2022. The company vide letter dtd. 01.04.2022 & 29.05.2022 further extended the tenure of loan to 31.05.2024 out of which repayment of 2,450 lakhs was received in FY 2022-23. As per letter dtd. 29.05.2022, Rs. 2,500 lakhs was due during the year, however, repayment of Rs. 1,500 lakhs was received during the year and defaulted on repayment of Rs. 1,000 lakhs. Therefore, the due date and the extent of delay is taken as per the term sheet entered at the time of granting of loan.
Centrum Alternatives LLP (Loan – Principal)	5.00	03.01.2024	06.02.2024	35 Days	All amounts were received in full and loan A/c is closed.
Centrum Alternatives LLP (Accrued Interest)	0.16 0.16 0.16	30.06.2023 30.09.2023 31.12.2023	21.02.2024	222 Days 130 Days 38 Days	

(d) In respect of loans, principal and interest overdue for more than ninety days amounted to Rs 8,533.33

(Rs. In Lakhs)

No. of cases	Principal Amount Overdue	Interest Overdue	Remarks ((If any)
2	185.73	-	The company is regularly following up with the parties to regularize the overdue amount.
5	-	8,347.60	The company is regularly following up with the parties to regularize the overdue amount.

(e) The Company has renewed or extended existing loans given to some parties which has fallen due during the year, the details of which are as follows:

(Rs. In Lakhs)

Name of the parties	Aggregate amount of overdues of existing loans renewed or extended	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Acorn Fund Consultant Private Limited	50.00	0.03%
Agile Creative Ventures Private Limited	115.00	0.07%
Modulus Alternative Investment Managers Limited	125.00	0.08%
Duddu Finlease Limited	500.00	0.31%
Heal Institute Private Limited-	85.10	0.05%

(f) The company has not granted that loans or advances in nature of loans without specifying any terms or period of repayment or repayable on demand during the year.

iv. In our opinion and according to the information and explanations given to us, the provisions of 185 and 186 of the Companies Act, 2013 in respect of loans and advances

given, investments made and guarantees given have been complied with by the Company to the extent applicable.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, Goods and Service Tax (GST), cess or any other material statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in few cases which are not serious.

As explained to us, the Company did not have any dues on account of Sales tax, Service tax, Value added tax, duty of customs and duty of Excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, cess and other material statutory dues applicable to the company were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

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

viii. According to the information and explanations given to us and the records of the company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. We have been informed by the management that the company does not have any undisclosed income and therefore the provisions of Clause 3(viii) of said Order are not applicable to the company.

ix. (a) In our opinion and according to information and explanations provided to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Therefore, the provisions of Clause 3(ix)(a) of the Order are not applicable to the company.

(b) According to information and explanations provided to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on the documents and records examined by us, the Company has utilised the money obtained by way of term loan during the year for the purpose for which they were obtained.

(d) According to information and explanations provided to us and the procedures followed by us and an overall examination of the financial statements of the Company, we report that no funds raised on short - term basis have been used for long term purposes by the Company.

(e) According to information and explanations provided to us, the company has not raised any funds on account of or to meet the obligations of its subsidiaries, associates.

(f) According to information and explanations provided to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies and therefore the provisions of Clause 3(ix)(f) of said Order are not applicable to the company.

x. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, provisions of Clause 3(x)(a) of the Order are not applicable to the company.

(b) According to the information and explanations given to us and the records of the Company examined by us, the company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, provisions of Clause 3(x)(b) of the Order are not applicable to the company.

xi. (a) 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.

(b) 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, a report under Section 143(2) of the Act, in form ADT – 4, as prescribed under Rule 13 of The Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company

(c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, reporting under Clause 3(xi)(c) of said Order are not applicable to the company.

xii. In our opinion and according to information and explanations provided to us, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

xiii. In our opinion and as per information and explanations provided to us by management all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required under Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

xiv. (a) In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting commensurate with the size and nature of its business.

(b) The Company did not have an internal audit system for the period under audit.

xv. According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. (a) According to information and explanations provided to us and audit procedures performed, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given to us and the records of the Company examined by us, the company has not conducted any Non-Banking Financial or Housing Finance activities as its principal business activities. Therefore, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.

(d) Based on the information and explanations provided by the management of the company, the Group does not have more than one CIC which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us, and the records of the company examined by us, the company has incurred cash loss of Rs. 1,282.72 during the current financial year.

xviii. There has not been any resignation of the statutory auditors during the year and therefore, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us by the management and the records of the Company examined by us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and other information accompanying the financial statements, and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of One year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of One year from the balance sheet date will get discharged.

xx. The provisions relating to Corporate Social Responsibility under Section 135 of Act is not applicable to the company. Accordingly, reporting under Clause 3(xx) of the Order are not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A. T. Jain & Co

Chartered Accountants

ICAI Firm Registration No. 103886W

Sushil T Jain

Partner

Membership No. 033809

Place: Mumbai

Date: 29.04.2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date to the members of **Centrum Retail Services Limited** on the Ind AS financial statements for the year ended March 31, 2024]

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 Retail Services Limited** ("the Company") as of March 31, 2024 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. T. Jain & Co

Chartered Accountants

ICAI Firm Registration No. 103886W

Sushil T Jain

Partner

Membership No. 033809

Place: Mumbai

Date: 29.04.2024

Centrum Retail Services Limited

CIN: U74999MH2014PLC256774

Registered Office: Centrum House, CST Road, Vidyangari Marg, Kalina, Santacruz (East), Mumbai - 400098, India

Website: www.centrum.co.in Email: info@centrum.co.in Telephone: +91 22 42159100

Statement of Audited Profit and Loss for the year ended March 31, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	24	25,174.36	19,144.36
Other Income	25	348.71	286.64
Total Income		25,523.07	19,431.00
Expenses			
Purchases of Stock-in-trade	26	11,513.13	8,448.87
Finance Costs	27	10,000.14	8,172.48
Employee Benefits Expense	28	980.12	1,182.60
Depreciation and Amortization Expense	29	735.13	484.02
Other Expenses	30	6,952.25	7,199.95
Total Expenses		30,180.77	25,487.92
Profit/(Loss) before Exceptional Items and Tax		(4,657.70)	(6,056.92)
Exceptional Items	31	249.49	10,658.68
Profit/(Loss) before Tax		(4,408.21)	4,601.76
Less: Income Tax Expense:			
Current tax	33	-	-
Deferred tax charge/ (credit)		-	-
Tax adjustments of earlier years		-	7.72
Profit/(Loss) for the year		(4,408.21)	4,594.04
Other Comprehensive Income (OCI)			
i. Item that will not be reclassified to profit or loss			
(a) Change in fair value of equity instruments through OCI		-	-
(b) Remeasurement of Post Employment Benefit Obligations		(11.76)	3.13
(c) Income Tax Impact on above		-	-
ii Items that will be reclassified to profit or loss			
		-	-
Total Other Comprehensive Income (OCI)		(11.76)	3.13
Total comprehensive Income/(Loss) for the year		(4,419.97)	4,597.17
Earning Per Share (Face value of ₹ 10/- Each)			
(a) Basic EPS for the year (₹)	38	(12.40)	12.92
(b) Diluted EPS for the year (₹)			

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

In terms of our report attached
For **A.T. Jain & Co.**
Chartered Accountants
(Firm's Registration No. 103886W)

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

Sushil T. Jain
Partner
Membership No. 033809
Mumbai, April 29, 2024

Steven Pinto
Non-Executive Chairman
DIN: 00871062
Mumbai, April 29, 2024

Kapil Bagla
Managing Director
DIN : 00387814
Mumbai, April 29, 2024

Amitkumar Rajput
Chief Financial Officer
Mumbai, April 29, 2024

Balakrishna Kumar
Company Secretary
Mumbai, April 29, 2024

Centrum Retail Services Limited

CIN: U74999MH2014PLC256774

Registered Office: Centrum House, CST Road, Vidyangari Marg, Kalina, Santacruz (East), Mumbai - 400098, India

Website: www.centrum.co.in Email: info@centrum.co.in Telephone: +91 22 42159100

Audited Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, Plant & Equipment	3	1,327.08	1,370.63
(b) Intangible assets	3	19.38	25.76
(c) Right-of-Use Assets	35	912.48	598.91
(d) Financial Assets			
(i) Investments	4	8,957.85	5,289.88
(ii) Loans	5	56,115.77	55,579.53
(iii) Other Financial Assets	6	122.03	175.79
Total Non-current Assets		67,454.59	63,040.50
Current Assets			
(a) Inventories			
(a) Financial Assets			
(i) Investments	4	1.00	1.00
(ii) Trade Receivables	7	49.04	114.95
(iii) Cash and Cash Equivalents	8	2,171.17	3,185.08
(iv) Bank Balances Other Than (iii) above	9	2,858.42	945.89
(v) Loans	10	26,787.02	30,721.51
(vi) Other Financial Assets	11	8,295.33	9,099.77
(b) Current Tax Assets (net)	12	499.69	376.13
(c) Other Current Assets	13	522.91	291.16
Total Current Assets		41,184.58	44,735.48
Total Assets		1,08,639.18	1,07,775.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	3,554.65	3,554.65
(b) Other Equity	15	26,694.28	31,417.45
Total Equity		30,248.94	34,972.10
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	29,121.08	32,726.82
(ia) Lease Liabilities	35	389.49	248.43
(ii) Other Financial Liabilities	17	10,192.74	13,768.45
(b) Provisions	18	8.45	12.30
Total Non-current Liabilities		39,711.76	46,756.00
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	25,892.67	14,762.29
(ia) Lease liabilities	35	526.93	389.60
(ii) Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		2.80	0.66
Total outstanding dues of creditors other than micro enterprises and small enterprises		59.85	789.39
(iii) Other financial liabilities	21	11,768.23	9,270.69
(b) Other Current Liabilities	22	325.34	756.38
(c) Provisions	23	102.66	78.86
Total Current Liabilities		38,678.48	26,047.88
Total Equity and Liabilities		1,08,639.18	1,07,775.98

The above Balance Sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For **A.T. Jain & Co.**
Chartered Accountants
(Firm's Registration No. 103886W)

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

Sushil T. Jain
Partner
Membership No. 033809
Mumbai, April 29, 2024

Steven Pinto
Non-Executive Chairman
DIN: 00871062
Mumbai, April 29, 2024

Kapil Bagla
Managing Director
DIN : 00387814
Mumbai, April 29, 2024

Amitkumar Rajput
Chief Financial Officer
Mumbai, April 29, 2024

Balakrishna Kumar
Company Secretary
Mumbai, April 29, 2024

Centrum Retail Services Limited

CIN: U74999MH2014PLC256774

Registered Office: Centrum House, CST Road, Vidyangari Marg, Kalina, Santacruz (East), Mumbai - 400098, India

Website: www.centrum.co.in Email: info@centrum.co.in Telephone: +91 22 42159100

Audited Cash Flow Statement for the Year ended March 31, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2024	March 31, 2023
A. Cash Flow From Operating Activities:		
Profit / (Loss) before tax	(4,408.21)	4,601.76
Adjustments for:		
Depreciation and amortisation expense	735.13	484.02
Interest expense on borrowings measured at amortised cost	9,901.26	8,096.13
(Gain)/Loss on sale of property, plant and equipment	-	0.14
Gain on Sale of Subsidiary Shares	(249.49)	(10,658.68)
Net gain on fair value changes	132.02	-
Unwinding of discount on security deposits	(33.53)	(28.18)
Interest on lease liability	98.88	76.34
Interest Income on financial assets	(264.64)	(167.96)
ESOP expenses	-	305.11
Expected credit loss allowance for loans, security deposits and other assets	2,333.48	168.06
Loss on loan assignment	1,555.00	-
Loss on modification of loans held at amortised cost	71.29	4,202.51
Expected credit loss allowance on trade receivables	(14.41)	28.02
Financial guarantee liability reversal income	-	(3.93)
Operating Profit Before Working Capital Changes	9,856.78	7,103.35
Adjustments for (increase)/decrease in operating assets		
- Decrease/(Increase) in Trade Receivables	80.32	(306.68)
- Decrease/(Increase) in Loans & Advances	(561.53)	(35,044.09)
- Decrease/(Increase) in Other Assets	659.98	268.87
Adjustments for increase/(decrease) in operating liabilities		
- Trade and Other Payables	(727.40)	228.68
- Increase / (Decrease) in Provisions	8.19	34.51
- Increase / (Decrease) in Other Liabilities	(734.25)	662.40
Cash generated from operations	8,582.09	(27,052.96)
Taxes paid (Net of Refunds)	(123.56)	528.66
Net cash (used in) / generated from operating activities	8,458.53	(26,524.30)
B. Cash flows from Investing Activities:		
Purchase of property, plant and equipment	(91.25)	(153.80)
Proceeds from sale of property, plant and equipment	2.54	0.15
Investment made in subsidiaries and associates during the Quarter	(2,833.23)	(22.00)
Purchases of Investments	(1,301.50)	(1,003.55)
Sale of Investments	584.24	15,924.86
Investment in Fixed Deposit	(1,914.06)	(4.71)
Interest received	266.17	167.64
Net cash (used in) / generated from investing activities	(5,287.09)	14,908.57
C. Cash flows from financing activities:		
Net proceeds from non-current borrowings	19,572.79	19,626.44
Net repayment of current borrowings	(14,964.45)	(1,313.24)
Lease payments	(730.55)	(464.89)
Coupon payment on debentures	(7,323.75)	(2,233.37)
Other Interest Payments	(739.37)	(815.57)
Net cash (used in) / generated from financing activities	(4,185.34)	14,799.37
Net Increase/(decrease) in cash and cash equivalents	(1,013.91)	3,183.64
Cash and cash equivalents as at the beginning of the Period (refer note below)	3,185.08	1.43
Cash and cash equivalents as at the end of the Period (refer note below)	2,171.17	3,185.08

Note * Net figures have been reported on account of volume of transactions.
The disclosures relating to changes in liabilities arising from financing activities.
The above cash flow statement have been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind
(All amounts are ₹ in Lakhs, unless otherwise stated)

Components of cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents at the end of the year		
i) Cash on hand	0.54	0.43
ii) Balances with banks (of the nature of cash and cash equivalents)	2,170.63	184.65
iii) Bank deposit with original maturity less than three months	-	3,000.00
Total	2,171.17	3,185.08

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

In terms of our report attached
For **A.T. Jain & Co.**
Chartered Accountants
(Firm's Registration No. 103886W)

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

Sushil T. Jain
Partner
Membership No. 033809
Mumbai, April 29, 2024

Steven Pinto
Non-Executive Chairman
DIN: 00871062
Mumbai, April 29, 2024

Kapil Bagla
Managing Director
DIN : 00387814
Mumbai, April 29, 2024

Amitkumar Rajput
Chief Financial Officer
Mumbai, April 29, 2024

Balakrishna Kumar
Company Secretary
Mumbai, April 29, 2024

Centrum Retail Services Limited
Statement of changes in equity for the year ended March 31, 2024

A. Equity share capital (Equity Shares of ₹ 10 each issued, subscribed and fully paid) :- (₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance as at April 01, 2022	3,55,46,535	3,554.65
Changes in Equity Share capital due to prior period errors	-	-
Restated balance as at April 01, 2022	3,55,46,535	3,554.65
Changes in Equity Share capital during the year	-	-
Balance as at March 31, 2023	3,55,46,535	3,554.65
Changes in Equity Share capital due to prior period errors	-	-
Restated balance as at April 01, 2023	3,55,46,535	3,554.65
Changes in Equity Share capital during the year	-	-
Balance as at March 31, 2024	3,55,46,535	3,554.65

B. Other equity

(₹ in Lakhs)

Particulars	Reserves & Surplus						Other Items in OCI	Total
	Securities Premium	Debturere Redemption Reserve	Capital Redemption Reserve	Capital Contribution	General reserve	Retained Earnings	FVTOCI - Equity Instruments	
As at April 01, 2022	22,308.24	4,052.85	78.97	41.72	2,360.90	(2,327.48)	-	26,515.21
Profit/(Loss) for the year	-	-	-	-	-	4,594.04	-	4,594.04
Other comprehensive income/(loss), net of income tax	-	-	-	-	-	3.13	-	3.13
Total comprehensive income/(loss) for the year	-	-	-	-	-	4,597.17	-	4,597.17
Share-based payment	-	-	-	305.11	-	-	-	305.11
Transfer to Debturere redemption reserve	-	1,835.75	-	-	-	(1,835.75)	-	-
Balance as at March 31, 2023	22,308.24	5,888.60	78.97	346.83	2,360.90	433.94	-	31,417.48
Profit/(Loss) for the year	-	-	-	-	-	(4,408.21)	-	(4,408.21)
Other comprehensive income/(loss), net of income tax	-	-	-	-	-	(11.76)	-	(11.76)
Total comprehensive income/(loss) for the year	-	-	-	-	-	(4,419.97)	-	(4,419.97)
Share-based payment	-	-	-	(337.41)	34.22	-	-	(303.21)
Transfer to Debturere redemption reserve	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	22,308.24	5,888.60	78.97	9.42	2,395.12	(3,986.03)	-	26,694.31

In terms of our report attached
For **A.T. Jain & Co.**
Chartered Accountants
(Firm's Registration No. 103886W)

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

Sushil T. Jain
Partner
Membership No. 033809
Mumbai, April 29, 2024

Steven Pinto
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Mumbai, April 29, 2024

Amitkumar Rajput
Chief Financial Officer
Mumbai, April 29, 2024

Balakrishna Kumar
Company Secretary
Mumbai, April 29, 2024

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

1. Corporate Information

Centrum Retail Services Limited ('CRSL' or 'the Company') is a Public Limited Company incorporated and domiciled in India. CRSL is in the business of providing Management Support services to group entities, directly and through other Service Providers in relation to Strategy, management, office infrastructure support, etc. CRSL also provides outsourcing services to its clients in data management, Information Technology and Marketing Activities. CRSL also does commodities trading out of surplus money. CRSL is also in the business of providing Inter Corporate deposits, short term Loans and dealing in securities. The Company's registered office is in Mumbai, Maharashtra, India.

The company is a wholly owned subsidiary company of Centrum Capital Limited (CCL) which holds 3,55,46,535 shares.

2.1 Accounting policies

2.2 Basis of Preparation of Financial Statements

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

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

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

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

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

2.3 Presentation of financial statements

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

2.4 Current/ Non-current classification:

An asset is classified as Current if:

- (a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

- (c) it is expected to be realised within twelve months after the reporting period; or
- (d) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

A liability is classified as Current if:

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

All other liabilities are classified as Non-current.

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

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

2.5 Property, plant and equipment

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

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

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

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

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

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

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

Depreciation

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

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

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

2.6 Intangible assets

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

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

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

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

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

Intangible assets are amortised over their estimated economic useful life.

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

Subsequent expenditure

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

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

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

2.7 Borrowing cost

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs calculated for capitalisation.

2.8 Impairment of property, plant and equipment and intangible assets

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

2.9 Segment reporting

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

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

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

2.10 Revenue recognition

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

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

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

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

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

Revenue from Services and Operations

Revenue from Management services rendered is recognised at point in time on satisfaction of performance obligation. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Revenue in excess of invoicing are classified as contracts assets (Which we refer as unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (Which we refer to as unearned revenues).

Income from trading in securities

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

Income from Derivative instruments

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

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

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

Interest income

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

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

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

Profit or Loss on Sale of Investments

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

Dividend Income

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

Net Gain/Loss on fair value changes

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

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

Other Income and Expense

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

2.11 Employee benefits

Short-term obligations

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

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

Termination benefits

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

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Long-term employee benefits:

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

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

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

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

Compensated Absences

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

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

2.12 Taxation

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

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It creates Income Tax provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current and deferred tax for the year

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

2.13 Financial instruments

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

A. Financial assets

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

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

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

Debt Instruments

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

Classification, recognition and measurement

The company classifies its financial assets as under:

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

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

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

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

Measurement:

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

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

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

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

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

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

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

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

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

Equity Instruments

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

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

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

Investments in subsidiaries, associates and joint ventures

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

(i) Impairment:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and Financial Guarantee Contracts. Equity Instruments are not subject to impairment under IND AS 109. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The method and significant judgements used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in Note 34.

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

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

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

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

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(ii) Derecognition of financial assets:

A financial asset is derecognised only when

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

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

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

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

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

Write-off policy

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

B. Financial liabilities and equity instruments :

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

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

Classification, recognition and measurement:

(a) Equity Instruments:

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

(b) Financial liabilities:

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings
- Trade and other payables

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

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

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

Trade and other payables

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

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

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

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

Derecognition:

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

(c) Financial guarantees contracts :

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

Derivative financial Instruments:

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

Reclassification of financial instrument

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

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

Embedded derivatives

The embedded derivatives are treated as separate derivatives when:

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

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

Certain market linked non-convertible debentures (MLDs) issued by the Company have returns linked to non-interest related benchmarks. Embedded derivative component of such debentures are separately accounted for at fair value and host contract. The Company manages the risk of variable payout by taking positions in futures and options of Nifty 50 Index. Further, the fair valuation of the MLDs for initial recognition of embedded derivatives and borrowings components as at the date of issue is done considering adjustment to the put/call contracts of Nifty 50 Index, thereby arriving at cost of borrowings.

Offsetting financial instruments :

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

2.14 Provisions and Contingencies

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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

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

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

Centrum Retail Services Limited
Notes to the Financial Statements for the year ended March 31, 2024

contingent liability but discloses its existence in the financial statements.

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

2.15 Cash and cash equivalent:

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

2.16 Trade Receivables:

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

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

2.17 Earnings per share:

The Basic Earnings per Share (“EPS”) is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued on conversion of all dilutive potential equity shares into equity shares.

2.18 Lease

As a lessee

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

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

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

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Notes to the Financial Statements for the year ended March 31, 2024

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

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

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

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

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

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

2.19 Exceptional Items

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

2.20 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.

Centrum Retail Services Limited

Notes to the Financial Statements for the year ended March 31, 2024

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

- a. Useful lives of property, plant and equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised.
- b. Defined benefit plan:** The cost of the defined benefit gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- c. Allowances for uncollected accounts receivable and advances:** Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.
- d. Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.
- e. Impairment of Non-Financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

- g. Revenue:** The application of Accounting Standard on Revenue Recognition is complex and use of key judgments with respect to multiple deliverables, timing of revenue recognition, accounting of discounts, incentives etc. The management has reviewed such accounting treatment and is satisfied about its appropriateness in terms of the relevant IND AS.
- h. Leases:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. The Company uses judgements in assessing whether a contract (or a part of contract) includes a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether in-substance are fixed. The judgment involves assessment of whether the assets included in the contract is fully or partially identified asset based on the facts and circumstances, whether a contract included a lease and non-lease components and if so, separation thereof for the purposes of recognition and measurement, determination of lease term basis, inter-alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both.
- i. Fair Value measurements of Financial Instruments:** When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
- j. Provision for income tax :** The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Opening as at April 01, 2023	Additions	Deductions/ Adjustments	As at Mar 31, 2024 (A)	Opening as at April 01, 2023	Additions	Deductions/ Adjustments	As at Mar 31, 2024 (B)	As at Mar 31, 2024 (A-B)	As at March 31, 2023
Tangible Assets										
Leasehold improvement	355.32	-	-	355.32	296.28	18.41	-	314.68	40.64	59.04
Building	1,055.33	-	-	1,055.33	105.54	42.33	-	147.87	907.46	949.79
Furniture and fixtures	73.78	1.59	-	75.37	28.23	7.27	-	35.50	39.87	45.55
Motor Vehicles	398.20	56.65	50.90	403.95	129.37	44.49	48.36	125.50	278.45	268.83
Office equipment	116.99	17.12	-	134.10	81.40	11.99	-	93.39	40.72	35.59
Computer hardware	49.33	15.89	-	65.23	37.52	7.77	-	45.29	19.94	11.81
Total (I)	2,048.95	91.25	50.90	2,089.31	678.32	132.26	48.36	762.23	1,327.08	1,370.63
Intangible Assets (Acquired)										
Computer Software	54.28	-	-	54.28	28.52	6.38	-	34.90	19.38	25.76
Total (II)	54.28	-	-	54.28	28.52	6.38	-	34.90	19.38	25.76
Grand Total (I + II)	2,103.23	91.25	50.90	2,143.59	706.84	138.65	48.36	797.13	1,346.45	1,396.39

(₹ in Lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Opening as at April 01, 2022	Additions	Deductions/ Adjustments	As at March 31, 2023 (A)	Opening as at April 01, 2022	Additions	Deductions/ Adjustments	As at March 31, 2023 (B)	As at March 31, 2023 (A-B)	As at March 31, 2022
Tangible Assets										
Leasehold improvement	355.32	-	-	355.32	277.92	18.36	-	296.28	59.04	77.40
Building	1,055.33	-	-	1,055.33	87.95	17.59	-	105.54	949.79	967.38
Furniture and fixtures	73.45	0.33	-	73.78	21.11	7.12	-	28.23	45.55	52.34
Motor Vehicles	267.82	130.38	-	398.20	94.85	34.52	-	129.37	268.83	172.97
Office equipment	104.56	12.43	-	116.99	62.57	18.83	-	81.40	35.59	41.99
Computer hardware	41.88	10.66	3.20	49.33	34.76	5.82	3.06	37.52	11.81	7.12
Total (I)	1,898.35	153.80	3.20	2,048.95	579.16	102.22	3.06	678.32	1,370.63	1,319.19
Intangible Assets (Acquired)										
Computer Software	54.28	-	-	54.28	22.16	6.35	-	28.52	25.76	32.11
Total (II)	54.28	-	-	54.28	22.16	6.35	-	28.52	25.76	32.11
Grand Total (I + II)	1,952.63	153.80	3.20	2,103.23	601.32	108.57	3.06	706.84	1,396.39	1,351.31

Note:

- The Company holds the title deeds of all the immovable properties in its name.
- There has been no revaluation of property, plant and equipment ("PPE") and intangibles during the year ended March 31, 2024 and March 31, 2023.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

NOTE 4. INVESTMENTS -

Non-current Investments:

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Qty/Units	Amount	Qty/Units	Amount
Investments in Equity Instruments (fully paid up, unless otherwise stated):				
A. In Subsidiaries (Unquoted) – At Cost:				
i. Centrum Wealth Limited **	1,46,09,780	4,435.86	1,16,56,500	1,813.71
ii. Centrum Insurance Brokers Limited	1,03,99,996	1,040.00	1,03,99,996	1,040.00
		5,475.86		2,853.71
B. In Associate (Unquoted) – At cost:				
Interest in share of				
i. Centrum Broking Limited	1,13,79,926	2,170.49	94,50,000	1,984.50
ii. Acorn Fund Consultants Pvt Ltd. (Investment Amt ₹ 1)*	73,99,000	0.00	73,99,000	0.00
		2,170.49		1,984.50
C. In Others (Unquoted) – At FVTPL:				
Shinka Technologies Private Limited @	1,375	1,301.50	-	-
Total Equity Instruments		8,947.85		4,838.21
Share Warrants - At Cost				
i. Centrum Wealth Limited		10.00		10.00
		10.00		10.00
Investments in Preference Shares (fully paid up):				
A. Other Body Corporates:				
Unquoted - At FVTPL				
i. Cumulative Compulsorily Convertible Preference shares (fully paid)				
Neelakrishna Leafins Limited #	-	-	4,00,000	13.19
Gundlupet Finance and Investment Private Limited #	-	-	45,00,000	115.50
ii. Optionally Convertible Preference shares (fully paid)				
Yuvati Infrastructure Private Limited #	-	-	25,00,000	23.25
Bettie Software Private Limited #	-	-	25,00,000	289.75
		-		441.68
Non-current Investments		8,957.85		5,289.88
Aggregate Value of Quoted Investments at Market Value		-		-
Aggregate Value of Unquoted Investments		8,957.85		5,289.88
Aggregate Provision of diminution in value of investments		-		-

* Amounts are below the rounding off norm adopted by the Company

** During the year ended March 31, 2024, the company has sold 1,56,900 shares of Centrum Wealth Limited to the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 175 per share aggregating to a total consideration of ₹ 274.58 lakhs

** During the year ended March 31, 2024, the company has bought 25,02,900 shares of Centrum Wealth Limited from the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 10 per share aggregating to a total consideration of ₹ 250.29 lakhs

** During the year ended March 31, 2024, the company has bought 14,300 shares of Centrum Wealth Limited from the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 175 per share aggregating to a total consideration of ₹ 25.03 lakhs

** During the year ended March 31, 2024, the company has bought 5,92,980 shares of Centrum Wealth Limited from the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 400 per share aggregating to a total consideration of ₹ 2,371.92 lakhs

During the year ended March 31, 2024, the company has sold 4,00,000 Cumulative Compulsorily Convertible Preference shares of Neelakrishna Leafins Limited via SPAs at a price of ₹ 4.59 per share aggregating to a total consideration of ₹ 18.36 lakhs

During the year ended March 31, 2024, the company has sold 45,00,000 Cumulative Compulsorily Convertible Preference shares of Gundlupet Finance and Investment Private Limited via SPAs at a price of ₹ 3.04 per share aggregating to a total consideration of ₹ 136.80 lakhs

During the year ended March 31, 2024, the company has sold 25,00,000 Optionally Convertible Preference shares of Yuvati Infrastructure Private Limited via SPAs at a price of ₹ 1.48 per share aggregating to a total consideration of ₹ 37 lakhs

During the year ended March 31, 2024, the company had accepted the proposal to converts 25,00,000 Optionally Convertible Preference shares of Bettie Software Private Limited into 0.01% Non Convertible Preference shares which was subsequently sold via SPAs at a price of ₹ 4.70 per share aggregating to a total consideration of ₹ 117.50 lakhs

\$ During the previous year ended March 31, 2023, the company has sold its entire stake in Centrum Investment Advisors Limited to its subsidiary Centrum Wealth Limited at price of ₹ 364 per share aggregating to a total consideration of ₹ 3,768.75 lakhs.

** During the previous year ended March 31, 2023, the company has sold 20,00,000 shares of Centrum Wealth Limited to Centrum Financial Services Limited at price of ₹ 550 per share aggregating to a total consideration of ₹ 11,000.00 lakhs.

** During the previous year ended March 31, 2023, the company has sold 2,90,000 shares of Centrum Wealth Limited to the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 10 per share aggregating to a total consideration of ₹ 29 lakhs

** During the previous year ended March 31, 2023, the company has bought 2,20,000 shares of Centrum Wealth Limited from the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 10 per share aggregating to a total consideration of ₹ 22 lakhs

Current Investments:

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Qty/Units	Amount	Qty/Units	Amount
Investments in Commercial Papers:				
Unquoted – At FVTPL:				
i. IL & FS Limited	500.00	1.00	500.00	1.00
Current Investments		1.00		1.00
Aggregate Value of Quoted Investments at Market Value		-		-
Aggregate Value of Unquoted Investments		1.00		1.00
Aggregate Provision of diminution in value of investments		-		-

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 5 : LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
A) At Amortised Cost - Unsecured (in India)		
Loans (Considered Good)		
Loans to related parties	235.00	5,980.91
Loans to Others	56,304.44	49,929.33
Less: Provision for expected credit loss	(423.67)	(330.71)
	56,115.77	55,579.53
Loans (Credit Impaired)		
Loans to Others	-	115.00
Less: Provision for expected credit loss	-	(115.00)
	-	-
Total (Net)	56,115.77	55,579.53

Loans or Advances in the nature of loans granted to promoters, directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) Repayable on demand - Nil (Previous year: Nil)
(b) Without specifying any terms or period of repayment - Nil (Previous year: Nil)

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) to any other person(s) of entity(ies), including foreign entities (“Intermediaries”) with the understanding, (whether recorded in writing or otherwise), that the intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”); or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

Note 6 : OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	125.39	176.84
Less: Impairment loss allowance	(3.36)	(1.05)
Total	122.03	175.79

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 7 : TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Unsecured – Considered Good		
from related parties	56.99	129.17
Others	-	5.04
Less: Allowance for expected credit loss	(8.22)	(19.25)
(ii) Unsecured – Considered Doubtful		
from related parties	0.27	3.37
Others	11.18	11.18
Less: Allowance for expected credit loss	(11.18)	(14.55)
TOTAL	49.04	114.95

Trade Receivables Ageing as at March 31, 2024 (Gross)

Particulars	Not due	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	56.97	-	-	-	-	-	56.97
Undisputed Trade Receivables – credit impaired	-	0.03	-	6.27	-	5.18	11.47
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
TOTAL	56.97	0.03	-	6.27	-	5.18	68.44

Trade Receivables Ageing as at March 31, 2023 (Gross)

Particulars	Not due	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	7.28	126.93	-	-	-	-	134.21
Undisputed Trade Receivables – credit impaired	-	7.51	1.86	-	0.21	4.97	14.55
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
TOTAL	7.28	134.43	1.86	0.00	0.21	4.97	148.76

Note 8 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	0.54	0.43
Balances with banks		
In current accounts	2,170.63	184.65
In fixed deposits with original maturity less than 3 months	-	3,000.00
TOTAL	2,171.17	3,185.08

Note 9 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS ABOVE

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Balances with banks		
In fixed deposits maturity more than 3 months but less than 12 months	2,072.38	159.85
(ii) Earmarked Balances With Banks		
Escrow Account with Yes Bank Ltd*	786.04	786.04
TOTAL	2,858.42	945.89

* The Company has deposited ₹ 786.04 lakhs under an Escrow agreement with Yes Bank Ltd towards any future occurrence of loss or liabilities arising from any Govt. Authority / tax authorities applicable to the divested entity EbixCash World Money Limited (Formerly known as Centrum Direct Limited).

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 10 : CURRENT LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Unsecured Loans at amortised cost - in India		
Loans to related parties	39.16	11,982.50
Other Loans and advances	29,699.85	20,612.02
Total (Gross)	29,739.00	32,594.52
Less: Impairment loss allowance	(2,951.98)	(1,873.01)
Total (Net)	26,787.02	30,721.51
B) (i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by bank/government guarantees	-	-
(iv) Unsecured	29,739.00	32,594.52
Total (Gross)	29,739.00	32,594.52
Less: Impairment loss allowance	(2,951.98)	(1,873.01)
Total (Net)	26,787.02	30,721.51
B) (i) Loans in India		
Public sector		
Others	29,739.00	32,594.52
Total (Gross)	29,739.00	32,594.52
Less: Impairment loss allowance	(2,951.98)	(1,873.01)
Total (Net) - C (i)	26,787.02	30,721.51
(ii) Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (Net) - C (ii)	-	-
Total (Net) - C (i+ ii)	26,787.02	30,721.51

Type of Borrower		
Loans to related parties : Subsidiaries	0	0
Amount of loan or advance in the nature of loan outstanding	29,739.00	10,109.49
Percentage to total loan or advance in the nature of loan outstanding	0%	0.00%

Loans or Advances in the nature of loans granted to promoters, directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) Repayable on demand - Nil (Previous year: Nil)
- (b) Without specifying any terms or period of repayment - Nil (Previous year: Nil)

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) to any other person(s) of entity(ies), including foreign entities ("Intermediaries") with the understanding, (whether recorded in writing or otherwise), that the intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

Note 11 : OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	204.22	232.40
Less: Impairment loss allowance	(0.95)	(1.37)
Index derivatives	-	385.17
Interest Accrued	9,335.49	8,548.78
Less: Impairment loss allowance	(1,361.35)	(86.43)
Other Receivables	117.92	21.22
Total	8,295.33	9,099.77

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

In the previous year, Company had entered into derivatives for risk management purposes. Derivatives that were held for risk management purposes included hedges that either met the hedge accounting requirements or hedges that were economic hedges, but the Company had elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional Amounts	Fair Value - Assets	Notional Amounts	Fair Value - Assets
Index derivatives	-	-	352.13	385.17
Total	-	-	352.13	385.17

Hedging activities and derivatives :

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 40.

Derivatives designated as hedging instruments :

The Company has not designated any derivatives as hedging instruments.

Note 12 : CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (Net of provision for tax)	499.69	376.13
Total	499.69	376.13

Note 13 : OTHER NON-FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	7.20	12.02
Balance with revenue authorities	490.71	262.23
Capital Advances	10.00	-
Other Receivables	15.00	16.91
Total	522.91	291.16

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 14 : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised shares				
Equity shares of ₹ 10 each	3,80,00,000	3,800.00	3,80,00,000	3,800.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each fully paid up	3,55,46,535	3,554.65	3,55,46,535	3,554.65
Total Equity	3,55,46,535	3,554.65	3,55,46,535	3,554.65

(i) Movement in Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	3,55,46,535	3,554.65	3,55,46,535	3,554.65
Add: Issued during the year	-	-	-	-
Less: Shares cancelled during the year	-	-	-	-
At the end of the year	3,55,46,535	3,554.65	3,55,46,535	3,554.65

(ii) Details of Equity shareholders holding more than 5% shares in the company

Equity shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Centrum Capital Limited	3,55,46,535	100.00	3,55,46,535	100.00

(iii) Details of Promoter's shareholdings

Equity shareholders	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% holding	% of change during the year	No. of shares	% holding	% of change during the year
Centrum Capital Limited	3,55,46,535	100.00	0.00	3,55,46,535	100.00	0.00

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

(iv) Terms and rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 15 : OTHER EQUITY

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security premium	22,308.24	22,308.24
Debenture redemption reserve	5,888.60	5,888.60
Capital Contribution	9.41	346.82
Capital Redemption Reserve	78.97	78.97
General reserve	2,395.12	2,360.90
Equity Instruments through other comprehensive income	-	-
Retained earnings	(3,986.06)	433.92
Total	26,694.28	31,417.46

15.1 Movements in Reserves

(i) Securities Premium

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

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	22,308.24	22,308.24
Movement during the year	-	-
Balance at the end of the year	22,308.24	22,308.24

(ii) Retained earning

Retained Earning are the profit of the company earned till date net of appropriations

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as the beginning of the year	433.92	(2,327.50)
Profit/(Loss) during the year	(4,408.21)	4,594.04
Transfer to Debenture Redemption Reserves	-	(1,835.75)
Remeasurement of Post Employment benefits obligations (net of tax)	(11.76)	3.13
Balance at the end of the year	(3,986.05)	433.92

(iii) Capital Redemption Reserve

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

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as the beginning of the year	78.97	78.97
Movement during the year	-	-
Balance at the end of the year	78.97	78.97

(iv) Debenture Redemption Reserve

Debenture Redemption Reserve is created out of the profits of the Company for the purpose of redemption of Debentures issued by the Company.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as the beginning of the year	5,888.60	4,052.85
Transfer from Retained Earnings	-	1,835.75
Transfer to General reserves	-	-
Balance at the end of the year	5,888.60	5,888.60

(v) General Reserves

General Reserve is created against redemption of debentures issued by the Company.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as the beginning of the year	2,360.90	2,360.90
Share Based Payments	34.22	-
Transfer from Debenture Redemption Reserve	-	-
Balance at the end of the year	2,395.12	2,360.90

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 16 : BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured - at amortised cost		
Term Loan from Banks		
- Rupee Loan	1,201.11	1,200.07
- Vehicle Loan	132.35	146.19
Redeemable Non-convertible Market Linked Debentures	11,223.63	26,521.50
Redeemable Non-convertible Debentures	16,563.99	4,859.06
Total	29,121.08	32,726.82

Terms of repayment, nature of security & rate of interest in case of Secured Loans (includes amount included in Current Maturities of Long-Term Debt – Refer Note)

A. Term Loans from Banks

(₹ in Lakhs)

Nature of Security	Terms of Repayment	Principal outstanding as at March 31, 2024	Principal outstanding as at March 31, 2023
Secured by Office property at Centrum House	Repayable in 126 EMIs of Rs. 16,14,879 from 31-03-2023, Maturity date - 14th September, 2033.	1,201.11	1,278.86

The coupon rates for the above loan is Floating Rate of MCLR + 1.25 %,

B. Vehicle Loans from Bank

(₹ in Lakhs)

Nature of Security	Terms of Repayment	Principal outstanding as at March 31, 2024	Principal outstanding as at March 31, 2023
Secured against hypothecation of vehicles purchased there against.	Repayable in 29 EMIs of ₹ 1,95,507 from 31-03-2024, Maturity date - 07th August, 2026.	51.96	70.99
Secured against hypothecation of vehicles purchased there against.	Repayable in 41 EMIs of ₹ 72,520 from 31-03-2024, Maturity date - 05th August, 2027.	25.98	32.36
Secured against hypothecation of vehicles purchased there against.	Repayable in 49 EMIs of ₹ 1,65,794 from 31-03-2024, Maturity date - 05th April, 2028.	68.25	81.00
Secured against hypothecation of vehicles purchased there against.	Repayable in 34 EMIs of ₹ 1,38,171 from 31-03-2024, Maturity date - 07th January, 2027.	41.62	-

The coupon rates for the above loan is Fixed rate of 7.20% p.a., 8.00% p.a., 8.50% p.a. and 8.50% p.a. respectively.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

C. Redeemable Non-convertible Market Linked Debentures

(₹ in Lakhs)

Nature of Security	Terms of Repayment	Privately placed unlisted redeemable non-convertible debentures of 1 lakh each	Privately placed unlisted redeemable non-convertible debentures of 1 lakh each
		Principal outstanding as at March 31, 2024	Principal outstanding as at March 31, 2023
Secured by first pari passu floating charge created on present and future business receivables up to 100% of the value of debenture as set out in the Debenture trust deed	Maturing between 48 to 60 months	-	-
	Maturing between 36 to 48 months	-	5,842.00
	Maturing between 24 to 36 months	9,435.00	8,942.00
	Maturing between 12 to 24 months	9,204.00	21,002.00
	Maturing up to within 12 months	21,002.00	18,010.00
Total		39,641.00	53,796.00

The above mentioned debentures are secured, unlisted, unrated, non-convertible, principal protected, market linked debentures carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained. There is no debt security measured at FVTPL or designated FVTPL

D. Redeemable Non-convertible Debentures

(₹ in Lakhs)

Nature of Security	Terms of Repayment	Privately placed unlisted redeemable non-convertible debentures of 1 lakh each	Privately placed unlisted redeemable non-convertible debentures of 1 lakh each
		Principal outstanding as at March 31, 2024	Principal outstanding as at March 31, 2023
Secured by first pari passu floating charge created on present and future business receivables up to 100% of the value of debenture as set out in the Debenture trust deed	Maturing between 48 to 60 months	-	-
	Maturing between 36 to 48 months	-	5,090.00
	Maturing between 24 to 36 months	11,908.00	-
	Maturing between 12 to 24 months	5,187.00	-
	Maturing up to within 12 months	3,123.00	-
Total		20,218.00	5,090.00

The above mentioned debentures are secured, unlisted, unrated, non-convertible, principal protected, non convertible debentures carrying interest rate range of 11.60% p.a. to 12.50% p.a. over the tenure of the debentures. Hence, the interest rate/range cannot be ascertained. There is no debt security measured at FVTPL or designated FVTPL.

There are no funds received from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities ("Ultimate beneficiaries") identified by or on behalf of the funding party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 17 : OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Embedded derivatives on redeemable market linked debentures	7,252.56	8,374.07
Interest accrued on market-linked debentures	2,731.34	5,387.66
Interest accrued on non-convertible debentures	208.85	6.72
Other Payables	-	-
TOTAL	10,192.74	13,768.45

Note 18 : NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity	-	-
Compensated Absences	8.45	12.30
TOTAL	8.45	12.30

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 19 : BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Inter Corporate Deposits (Unsecured) - at amortised Cost		
From Related Parties	4,300.00	1,037.00
From Others	875.00	975.00
Total (A)	5,175.00	2,012.00
(ii) Current Maturities of Long-term Debt - Secured	20,717.67	12,750.29
Total (C)	20,717.67	12,750.29
Total (A+B+C)	25,892.67	14,762.29
Borrowings in India	25,892.67	14,762.29
Borrowings outside India		-
Total (D)	25,892.67	14,762.29

Note : There is no borrowings measured at FVTPL or designated at FVTPL

There are no funds received from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities (“Ultimate beneficiaries”) identified by or on behalf of the funding party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 20 : TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	2.80	0.66
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	59.85	789.39
TOTAL	62.65	790.05

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company

Particulars	As at March 31, 2024	As at March 31, 2023
Amount remaining unpaid :		
Principal	2.80	0.66
Interest		
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Centrum Retail Services Limited

Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Outstanding for following periods from due date of payment

Particulars	Unbilled	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
March 31, 2024						
Undisputed MSME	-	2.80	-	-	-	2.80
Undisputed Others	27.00	16.09	7.86	7.68	1.22	59.85
Total	27.00	18.89	7.86	7.68	1.22	62.65
March 31, 2023						
Undisputed MSME	-	0.66	-	-	-	0.66
Undisputed Others	31.94	274.76	386.28	96.42	-	789.39
Total	31.94	275.42	386.28	96.42	-	790.05

Note 21 : OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Embedded derivatives in market linked debentures carried at FVTPL	3,409.86	5,204.64
Interest accrued on market-linked debentures	7,884.23	3,933.91
Interest accrued on non-convertible debentures	360.77	29.08
Interest Accrued but not due - Others	26.64	16.32
Security Deposits	86.73	86.73
TOTAL	11,768.23	9,270.69

Note 22 : OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	323.39	282.03
Employee Benefit Expense payable	1.95	1.20
Advance received against sale of shares	-	473.15
TOTAL	325.34	756.38

Note 23 : PROVISIONS (CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Compensated absences	3.67	3.83
Others	98.99	75.03
TOTAL	102.66	78.86

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 24 : REVENUE FROM OPERATIONS (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Business support services	1,895.74	2,204.40
Sale of stock-in-trade	11,551.38	8,446.19
On financial assets measured at amortised cost		
- Interest on loans	11,727.25	8,493.77
Total	25,174.36	19,144.36

Note 25 : OTHER INCOME (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on deposits with banks	264.64	97.08
Processing fees income	24.00	-
Reversal of excess expected credit loss provision on :		
Trade Receivables	14.41	-
Gain on modification of loans held at amortised cost	-	-
Gain on sale of property, plant and equipment (net)	0.36	0.14
Interest on income tax refund	10.39	77.51
Interest on government bonds	-	70.87
Interest on security deposits	33.53	28.18
Guarantee income	-	3.93
Other Income	1.38	8.92
Total	348.71	286.64

Note 26 : PURCHASE OF STOCK-IN-TRADE (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Commodity goods (metals)	11,513.13	8,448.87
Total	11,513.13	8,448.87

Note 27 : FINANCE COSTS (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on debt securities	9,151.57	7,270.54
Interest on financial liabilities measured at amortised cost	645.24	787.24
Interest on lease liabilities (refer note 35)	98.88	76.34
Other interest expenses	86.71	3.34
Other borrowing costs	17.74	35.02
Total	10,000.14	8,172.48

Note 28 : EMPLOYEE BENEFITS EXPENSES (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and bonus	833.01	822.63
Contribution to provident and other funds (refer note 36)	32.59	38.28
Share-based payment	86.48	303.20
Staff welfare expenses	28.05	18.50
Total	980.12	1,182.60

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 29 : DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	138.65	108.57
Depreciation on right-of-use assets (refer note 35)	596.48	375.44
Total	735.13	484.02

Note 30 : OTHER EXPENSES

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	258.26	541.85
Rates & Taxes	56.00	83.25
Electricity expenses	91.18	97.52
Repairs and maintenance	61.29	46.13
Buisness support services	1,498.42	1,384.79
Insurance	10.98	7.62
Information technology costs	14.83	12.89
Advertisement and business promotion expenses	-	13.52
Commission and brokerage	0.06	0.02
Travelling expenses	61.63	62.01
Communication and postage	13.13	16.76
Printing and stationery	5.64	1.73
Legal and professional charges	339.47	240.70
Meeting and seminar expenses	317.34	47.84
Office expenses	101.13	61.20
Directors' sitting fees	9.00	10.20
Investments classified at FVTPL		
- Preference shares (Realised)	132.02	123.56
- Bonds and others (Realised)	-	22.79
Auditors remunerations (refer Note 30.1)	10.75	16.75
Expected credit loss on loans & advances	2,333.48	168.06
Expected credit loss on trade receivables	-	28.02
Loss on loan assignment	1,555.00	-
Registration and filing fees	4.58	6.98
Loss on modification of loans held at amortised cost	71.29	4,202.51
Miscellaneous expenses	6.77	3.25
Total	6,952.25	7,199.95

Note 30.1 : Auditors remunerations

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statutory audit fees	3.50	3.50
Limited review Fees	4.50	4.50
Tax audit	2.00	2.00
Certification fees and other matters	1.00	6.75
Total	11.00	16.75

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 31 : EXCEPTIONAL ITEMS

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit on Sale of Centrum Wealth Limited Shares**	249.49	10,662.94
Loss on Sale of Centrum Investment Advisors Limited Shares #	-	(4.27)
Total	249.49	10,658.68

** During the year ended March 31, 2024, the company has sold 1,56,900 shares of Centrum Wealth Limited to the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 175 per share aggregating to a total consideration of ₹ 274.58 lakhs on which company has made profit of ₹ 249.49 lakhs

** During the previous year ended March 31, 2023, the company has sold 20,00,000 shares of Centrum Wealth Limited to Centrum Financial Services Limited at price of ₹ 550 per share aggregating to a total consideration of ₹ 11,000.00 lakhs on which company has made a profit of ₹ 10,680.30 lakhs.

** During the previous year ended March 31, 2023, the company has sold 2,90,000 shares of Centrum Wealth Limited to the Employees of Centrum Wealth Limited via SPAs at a price of ₹ 10 per share aggregating to a total consideration of ₹ 29 lakhs on which company has made a loss of ₹ 17.36 lakhs

During the previous year March 31, 2023, the company has sold its entire stake in Centrum Investment Advisors Limited to its subsidiary Centrum Wealth Limited at price of ₹ 364 per share aggregating to a total consideration of ₹ 3,768.75 lakhs on which company has made a loss of ₹ 4.27 lakhs

Centrum Retail Services Limited
Notes Forming part of the Financial Statements for the year ended March 31, 2024

Note 32 : CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
A. Contingent liabilities		
1. Claims against the Company not acknowledged as debt	-	-
2. Others		
i. Appeals filed in respect of disputed demands		
Income Tax		
- where the Company is in appeal	86.90	86.90
- where the Department is in appeal	-	-
B. Commitments:	-	-

Note 33 : INCOME TAXES

a) Tax expense recognised in statement of profit and loss

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year Ended March 31, 2023
Current tax	-	-
Tax adjustment for earlier years	-	7.72
Deferred tax relating to origination and reversal of temporary differences	-	-
Income tax expense reported in statement of profit and loss	-	7.72
Current tax		7.72
Deferred tax		-
Income tax recognised in other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year:		
- Fair value changes on equity instruments through OCI	-	-
- Remeasurement of defined benefit plans	-	-
Income tax charged to OCI	-	-

b) The income tax expense for the year can be reconciled to the accounting profit as follows:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and March 31, 2023 is, as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year Ended March 31, 2023
Accounting profit before tax	(4,408.21)	4,601.76
Applicable statutory enacted income tax rate	25.17%	25.17%
Computed tax expense	(1,109.55)	1,158.26
Increase/(Reduction) in taxes on account of		
Items (Net) not deductible for tax/not Liable to tax	992.07	(8,218.33)
Income not subject to tax or chargeable at lower rate		
Capital receipt (net)	117.48	9,938.04
Capital loss brought forward	-	(2,877.96)
Tax expense relating to earlier years (net)	-	7.72
Income tax expense reported in the Statement of profit and loss	(0.00)	7.72

Note 34 : CAPITAL

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to

provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Capital Management

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

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

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 35: LEASES

(i) Amounts recognised in the balance sheet

The Balance sheet shows the following amounts relating to leases:

A. Right-of-Use Assets

Movement during the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Opening as at April 01, 2023	Additions during the Year Ended March 31, 2024	Deductions/ Adjustments during the Year Ended March 31, 2024	Depreciation for the Year Ended March 31, 2024	As at March 31, 2024
Office Premises	598.91	910.06		596.48	912.48
Total	598.91	910.06	-	596.48	912.48

Movement during the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Opening as at April 01, 2022	Additions during the Year Ended March 31, 2023	Deductions/ Adjustments during the Year Ended March 31, 2023	Depreciation for the Year Ended March 31, 2023	As at March 31, 2023
Office Premises	576.79	384.26	(13.30)	375.44	598.91
Total	576.79	384.26	(13.30)	375.44	598.91

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expenses in the statement of Profit and Loss.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 10%.

B. Lease Liabilities

The following is the movement in lease liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	638.03	629.02
Additions	859.41	1,353.91
Finance cost accrued during the period	98.88	76.34
Deletions	-	(1,007.74)
Payment of lease liabilities	(679.90)	(413.50)
Balance as at end of the year	916.42	638.03
Non - Current Lease Liabilities	389.49	248.43
Current Lease Liabilities	526.93	389.60

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest expense on lease liabilities (included in finance cost)	98.88	76.34
Expense relating to short-term leases (included in Other Expenses)	258.26	541.85
Expense relating to leases of low-value assets (other than short-term leases as disclosed above)	-	-
Total	357.14	618.19

The bifurcation below provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 and March 31, 2023 on an undiscounted basis :

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
up to 3 months	191.88	106.02
3 to 6 months	137.18	108.62
6 to 12 months	258.18	217.75
1 year to 3 year	412.52	257.22
More than 3 years	-	-
Total	999.76	689.61

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 36: Employee Benefits:

Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

(₹ in lakhs)

Actuarial Assumptions	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate (Per annum)	7.17%	7.41%
Expected rate of return on assets	7.17%	7.41%
Rate of increase in compensation levels (Per annum)	10.00%	7.00%
Attrition Rate (Per annum)	12.00%	8.00%

Details of changes in present value of defined benefit obligations as follows:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation at the beginning of the year	83.83	78.48
Current service cost	8.30	8.91
Past service cost	-	-
Interest cost on benefit obligations	6.21	5.26
Re-measurements:		
a. Actuarial loss/(gain) arising from changes in demographic assumptions	1.42	(0.40)
b. Actuarial loss/ (gain) arising from changes in financial assumptions	6.21	(5.66)
c. Actuarial loss/ (gain) arising from experience over the past years	2.27	2.02
Benefits paid	(15.26)	(4.78)
Present value of defined benefit obligation at the end of the year	92.97	83.83

Details of changes in fair value of plan assets are as follows: -

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	100.73	77.38
Interest income on plan assets	7.46	5.18
Employer contributions	-	23.86
Benefits paid	(4.22)	(4.78)
Re-measurements:		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit	(1.86)	(0.92)
Fair value of plan assets as at the end of the year	102.12	100.73

Net assets/(liability) recognised in the Balance Sheet

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	(92.97)	(83.83)
Fair value of plan assets	102.12	100.73
Defined Benefit obligation asset/(liability)	9.14	16.90

Net benefit expense recognised in statement of profit and loss

(₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	8.30	8.91
Past service cost	-	-
Net Interest on net defined benefit liability/ (asset)	(1.25)	0.07
Net benefit expense	7.04	8.98

Remeasurement gain/ (loss) in other comprehensive income (OCI) (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Re-measurements on defined benefit obligation		
Actuarial gain/(loss) arising from changes in demographic assumptions	1.42	(0.40)
Actuarial gain/(loss) arising from changes in financial assumptions	6.21	(5.66)
Actuarial gain/(loss) arising from experience over the past years	2.27	2.02
Re-measurements on plan assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit	1.86	0.92
Actuarial gain / (loss) (through OCI)	11.76	(3.12)

Defined benefit plans assets (₹ in lakhs)

Category of assets (% allocation)	Year ended March 31, 2024	Year ended March 31, 2023
- Government securities	-	-
- Insurance fund	102.12	100.73
Total	102.12	100.73

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expected Return on Plan assets	7.41%	6.70%
Rate of discounting	7.41%	6.70%
Rate of salary Increase	7.00%	8.00%
Rate of Employee Turnover	8.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban
Mortality Rate After Employment	N.A.	N.A.

Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
One percentage point increase in discount rate	(2.92)	(3.73)
One percentage point decrease in discount rate	3.20	4.15
One percentage point increase in Salary growth rate	2.07	2.59
One percentage point decrease in Salary growth rate	(1.95)	(2.49)
One percentage point increase in Employee Turnover rate	(0.02)	0.50
One percentage point decrease in Employee Turnover rate	0.02	(0.57)

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.

Maturity profile of defined benefit obligation are as follows (₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1st Following Year	31.27	17.80
2nd Following Year	8.31	6.19
3rd Following Year	8.26	12.91
4th Following Year	12.06	6.15
5th Following Year	12.97	9.92
Sum of Years 6 to 10	28.52	35.51
Sum of Years 11 and above	24.35	42.11

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 37: RELATED PARTY TRANSACTIONS

Name of Party	Nature of Relationship
Centrum Capital Limited	Holding Company
Kapil Bagla	Managing Director
Subhash Kutte	Independent Director
Rajesh Budharani	Independent Director
Steven Pinto	Chairman (Non-Executive Director)
Asha Pinto	Spouse of Director
Balakrishna Kumar	Company Secretary - KMP
Amitkumar Rajput	Chief Financial Officer - KMP
K. R. Kamath	Director of Holding Company
Centrum Wealth Limited	Subsidiary
Centrum Financial Services Limited	Fellow Subsidiary
Centrum Insurance Brokers Ltd	Subsidiary
Centrum Investments Advisors Limited	Step-down subsidiary
Ignis Capital Advisors Limited	Fellow Subsidiary
Centrum Broking Limited	Associate
Centrum Alternatives LLP	Fellow Subsidiary
Centrum Capital Advisors Limited	Fellow Subsidiary
Modulus Alternatives Investment Managers Limited (Formerly Centrum Alternative Investment Managers)	Fellow Subsidiary
Centrum Housing Finance Limited	Fellow Subsidiary
Nanikrami Agro Private Limited	Entity where Director of Holding Company has significant influence
Businessmatch Services India Pvt Ltd	Entity where Director of Holding Company has significant influence
Club7 Holidays Ltd	Entity where Director of Holding Company has significant influence
Vishwaroop Residency Private Limited	Entity where Director of Holding Company has significant influence
Unity Small Finance Bank Limited	Fellow Subsidiary
Acorn Fund Consultants Private Limited	Associate Company
Mahakurshid Byramjee	Director of Holding Company
Axis Spaces Private Limited	Promoter Group Entity of Holding Company (Up to September 18, 2023)
Heal Institute Private Limited	Entity where Director is interested
Acapella Foods and Restaurant Private Limited	Entity where Director is interested
Centrum REMA LLP	Entity where Director is interested
Jakari Developers Private Limited	Entity where Director of Holding Company has significant influence

A) Transactions during the Year and Closing balances :-

(₹ In Lakhs)

Name of the company	Transaction During the period		Closing Balances	
	Year ended	Year ended	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Acorn Fund Consultants Private Limited				
Rent Income	0.56	5.94	-	-
Shared Resources Income	-	0.90	-	0.02
Loan Given	-	-	50.00	50.00
Loans written off	-	733.00	-	-
Modulus Alternatives Investment Managers Limited (Formerly Centrum Alternative Investment Managers Limited)				
Rent Income	23.70	12.16	-	-
Shared Resources Income	3.64	1.97	0.23	0.27
Loan Given	-	955.00	-	1,080.00
Loan received back	1,080.00	-	-	-
Interest Income	79.73	125.20	-	-
Management Support Services Income	50.00	50.00	-	-
Centrum Alternatives LLP				
Other Expense	-	0.02	-	-
Loan Given	-	5.00	-	5.00
Loan received back	5.00	-	-	-
Interest Income	0.60	0.17	-	-

Name of the company	Transaction During the period		Closing Balances	
	Year ended	Year ended	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Centrum Broking Limited				
Management Support Services Income	210.00	210.00	-	-
Rent Income	227.91	198.00	-	-
Shared Resources Income	35.65	35.02	1.98	2.13
Brokerage & Commission Expense	0.01	-	-	-
DPC Charges	0.04	0.02	-	-
Interest Expense	0.38	35.48	-	-
Loan Given	96,419.00	37,450.00	-	2,500.00
Loan Received Back	98,919.00	34,950.00	-	-
Loan Taken	1,000.00	3,385.00	-	-
Loan Repaid	1,000.00	3,385.00	-	-
Other Expenses	-	0.15	-	-
Interest Income	169.00	95.32	-	-
Stamp Duty	-	-	-	0.56
Investment in Equity (18,59,926 Fresh Issue of CBL Shares)	185.99	-	-	-
Bonus Equity Shares received (70,000 Equity Shares)	-	-	-	-
Centrum Capital Advisors Limited				
Management Support Services Income	50.00	-	50.00	-
Shared Resources Income	-	0.01	-	-
Interest Income	-	29.03	-	-
Loan Given	-	11,211.00	-	-
Loan Received Back	-	11,211.00	-	-
Centrum Capital Limited				
Rent Income	105.54	94.04	-	-
Shared Resources Income	16.10	17.19	0.87	1.00
Shared Resources Expenses	1,404.23	1,296.22	-	-
Interest Income	143.19	7.16	-	-
Interest Expense	325.76	254.70	-	-
Loan Given	3,800.00	12,200.00	-	7,000.00
Loan Received Back	10,800.00	5,200.00	-	-
Loan Taken	23,095.00	58,050.00	4,300.00	-
Loan Repaid	18,795.00	58,050.00	-	-
Corporate Guarantee Received	-	-	1,405.00	1,405.00
Capital Contribution paid (ESOP)	389.67	-	-	-
Centrum Financial Services Limited				
Sale of Investment	-	11,000.00	-	-
Centrum Housing Finance Limited				
Management Support Services Income	-	300.00	-	88.50
Rent Income	125.68	113.03	0.27	36.62
Shared Resources Income	17.57	17.96	1.09	1.24
Interest Expense	11.29	-	20.31	-
Security deposit received	-	-	86.73	86.73
Centrum Investment Advisors Limited				
Management Support Services Income	50.00	50.00	-	-
Rent Income	39.93	36.41	-	-
Shared Resources Income	6.76	7.07	0.40	0.39
Interest Expense	5.34	0.10	-	-
Brokerage & Commission Expense	678.06	1,082.84	-	-
Loan Taken	100.00	250.00	-	250.00
Loan Repaid	350.00	-	-	-
Centrum Insurance Brokers Limited				
Management Support Services Income	100.00	100.00	-	-
Rent Income	5.00	28.30	-	-
Shared Resources Income	50.91	1.41	0.05	0.05
Interest Expense	23.09	115.33	-	-
Loan Taken	100.00	175.00	-	787.00
Loan Repaid	887.00	135.00	-	-
Centrum Rema LLP				
Other Expenses	-	0.12	-	-
Loan Given	-	-	-	1,565.00
Loan Received Back	-	11.00	-	-

Name of the company	Transaction During the period		Closing Balances	
	Year ended	Year ended	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Centrum Wealth Limited				
Management Support Services Income	475.00	475.00	-	-
Rent Income	174.59	142.89	-	-
Shared Resources Income	27.03	24.73	1.63	1.71
Interest Income	93.98	60.63	-	-
Interest Expense	-	1.00	-	-
Rent Expense	0.60	0.60	-	-
Brokerage & Commission Expense	17.50	25.03	-	6.25
Loan Given	22,740.00	60,985.00	-	1,150.00
Loan Received Back	23,890.00	61,250.00	-	-
Loan Taken	-	3,200.00	-	-
Loan Repaid	-	3,200.00	-	-
MLD payment on Redemption	1,594.54	7,423.23	-	-
Investment in MLD & NCD received (Including Interest)	13,821.91	20,031.33	-	-
Money Paid Against Share Warrants	-	-	10.00	10.00
Income from other services	-	1.03	-	-
Sale of Investment	-	3,768.75	-	-
Purchase of fixed assets	1.28	-	-	-
Unity Small Finance Bank Limited				
Rent Income	77.02	179.89	-	-
Shared Resources Income	8.17	9.40	0.60	0.53
Rent Expense	145.20	145.20	-	-
Sale of MLD	-	2,008.21	-	-
Fixed Deposit	8,978.10	6,500.00	26.10	3,000.00
Fixed Deposit Redemption	11,952.00	-	-	-
Interest Income of FD	125.79	28.15	0.48	-
Ignis Capital Advisors Limited				
Rent Income	7.23	11.24	-	0.10
Shared Resources Income	2.25	1.68	0.10	0.15
Steven Pinto				
Director Sitting Fees	0.90	3.00	-	-
Subhash Kutte				
Director Sitting Fees	4.20	4.20	-	-
Rajesh Budhrani				
Director Sitting Fees	3.90	3.00	-	-
Nanikrami Agro Private Limited				
Managed Service Charges	48.00	48.00	-	-
Vishwaroop Residency Private Limited				
Rent Expense	216.19	205.89	-	-
Security Deposit	-	-	50.00	50.00
Businessmatch Services India Pvt Ltd				
Rent Expense	64.00	60.00	0.54	-
Security Deposit	-	-	30.00	30.00
Club 7 Holidays Limited				
Car Hire Expenses	28.83	32.40	-	-
Loan Given	235.00	-	-	225.00
Loan Received Back	225.00	-	235.00	-
Interest Income	31.02	31.50	4.85	42.99
Rent Income	5.50	4.12	-	4.87

Name of the company	Transaction During the period		Closing Balances	
	Year ended	Year ended	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Remuneration To KMP *				
Key Managerial Personnel				
a. Short-term employee benefits	182.30	147.88	1.20	1.20
b. Post- employee benefits	32.59	20.52		
c. Long-term employee benefits	-	-		
d. Termination Benefits	-	-		
e. Employee share-based payment	85.15	-		
Director of holding company (Outstanding balance in respect of CRSL MLDs)				
Mahakurshid Byramjee	-	435.00	410.00	210.00
Mahakurshid Byramjee (Redemption of MLD)	200.00	-	-	-
Asha Pinto	-	310.00	265.00	305.00
Axis Spaces Private Limited				
Unsecured Loan Given	-	-	-	4,470.00
Secured Loan Given	-	-	-	1,292.00
Interest Income	283.67	752.48	-	1,630.00
Secured Loan Received Back	592.00	-	-	-
Heal Institute Private Limited				
Loan Given	-	-	85.10	85.10
Interest Income	-	32.75	85.80	85.80
Acapella Foods and Restaurant Private Limited				
Food Charges	17.82	14.45	-	-
Jakari Developers Private Limited				
Loan Taken	-	-	200.00	200.00
Interest Expense	20.00	19.34	-	-

Centrum Retail Services Limited
Notes Forming part of the Financial Statements for the year ended March 31, 2024

Note 38: Earnings Per Share (EPS)- (Ind AS 33)

(₹ in Lakhs except per equity share data)

Sr.No	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Face Value per equity share (in ₹)	10.00	10.00
2	Basic Earning per share (in ₹)	(12.40)	12.92
3	Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(4,408.21)	4,594.04
4	Weighted Average number of equity shares used as denominator for calculating Basic EPS (in No.s)	355.47	355.47
5	Diluted Earnings per share (in ₹)	(12.40)	12.92
6	Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(4,408.21)	4,594.04
7	Weighted Average number of equity shares used as denominator for calculating Diluted EPS (in No.s)	355.47	355.47
8	Reconciliation of Weighted average number of shares outstanding		
9	Weighted Average number of equity shares used as denominator for calculating Basic EPS (in No's)	355.47	355.47
10	Total Weighted Average potential Equity Shares		-
11	Weighted Average number of equity shares used as denominator for calculating Diluted EPS (in No's)	355.47	355.47

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 39 : FAIR VALUE MEASUREMENT

a) Financial Instrument by Category (Net of ECL Provision) :

(₹ in Lakhs)

Particulars	As at March 31, 2024				As at March 31, 2023			
	FVTPL	Amortised Cost	Others*	Total	FVTPL	Amortised Cost	Others*	Total
Financial Asset								
Investments								
- Equity shares of subsidiaries	-	-	5,475.86	5,475.86	-	-	2,853.71	2,853.71
- Associates	-	-	2,170.49	2,170.49	-	-	1,984.50	1,984.50
- Other equity investments	1,301.50	-	10.00	1,311.50	-	-	10.00	10.00
- Preference shares	-	-	-	-	441.68	-	-	441.68
- Debt Securities	1.00	-	-	1.00	1.00	-	-	-
Cash and cash equivalents	-	2,171.17	-	2,171.17	-	3,185.08	-	3,185.08
Bank balance other than cash and cash equivalents above	-	2,858.42	-	2,858.42	-	945.89	-	945.89
Trade receivables	-	49.04	-	49.04	-	114.95	-	114.95
Loans	-	82,902.79	-	82,902.79	-	86,301.04	-	86,301.04
Other financial assets	-	8,417.36	-	8,417.36	385.17	8,890.39	-	9,275.56
Total Financial Assets	1,302.50	96,398.78	7,656.35	1,05,357.64	827.85	99,437.34	4,848.21	1,05,112.40
Financial Liability								
Borrowings	-	55,013.74	-	55,013.74	-	47,489.11	-	47,489.11
Lease Liabilities	-	916.42	-	916.42	-	638.03	-	638.03
Payables								
Trade payables	-	62.65	-	62.65	-	790.05	-	790.05
Other financial liabilities	10,662.42	11,298.56	-	21,960.97	13,578.71	9,460.43	-	23,039.14
Total Financial Liabilities	10,662.42	67,291.38	-	77,953.80	13,578.71	58,377.62	-	71,956.34

* Investment in subsidiaries, associate and joint venture are measured at cost in accordance with Ind AS 27.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

b) Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Particulars	(₹ in Lakhs)				
	As at March 31, 2024				
	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets:-					
Measured at FVTPL – Recurring Fair Value Measurements					
a. Investments					
Investments in Equity Shares	1,301.50	-	-	1,301.50	1,301.50
Investments in Debt Securities	1.00			1.00	1.00
b. Derivative Financial Assets	-	-	-	-	-
Measured at Amortised Cost for which fair values are disclosed					
a. Cash and cash equivalents	2,171.17	2,171.17			2,171.17
b. Bank balance other than cash and cash equivalents above	2,858.42	2,858.42			2,858.42
c. Receivables -Trade	49.04	-	-	49.04	49.04
d. Loans	82,902.79	-	-	82,902.79	82,902.79
e. Other financial assets	8,417.36	-	-	8,417.36	8,417.36
Financial liabilities:-					
Measured at Amortised Cost:-					
a. Payables					
Trade payables	59.85	-	-	59.85	59.85
b. Borrowings	55,013.74	-	-	55,013.74	55,013.74
c. Lease liabilities	916.42	-	-	916.42	916.42
c. Other financial liabilities	11,298.56	-	-	11,298.56	11,298.56
Measured at FVTPL					
Derivative Financial Liabilities	10,662.42	-	-	10,662.42	10,662.42

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

(₹ in Lakhs)

Particulars	As at March 31, 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets:-					
Measured at FVTPL – Recurring Fair Value Measurements					
a. Investments					
Investments in Preference Shares	441.68	-	-	441.68	441.68
Investments in Debt Securities	1.00			1.00	1.00
b. Derivative Financial Assets	385.17	385.17	-	-	385.17
Measured at Amortised Cost for which fair values are disclosed					
a. Cash and cash equivalents	3,185.08	3,185.08			3,185.08
b. Bank balance other than cash and cash equivalents above	945.89	945.89			945.89
c. Receivables -Trade	114.95	-	-	114.95	114.95
d. Loans	86,301.04	-	-	86,301.04	86,301.04
e. Other financial assets	8,890.39	-	-	8,890.39	8,890.39
Financial liabilities:-					
Measured at Amortised Cost:-					
a. Payables					
Trade payables	790.05	-	-	790.05	790.05
b. Borrowings	47,489.11	-	-	47,489.11	47,489.11
c. Lease liabilities	638.03	-	-	638.03	638.03
c. Other financial liabilities	9,460.43	-	-	9,460.43	9,460.43
Measured at FVTPL					
Derivative Financial Liabilities	13,578.71	-	-	13,578.71	13,578.71

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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

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

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Note 40: FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the Company is exposed to, how the Company manages the risk and the related accounting impact in the financial statements.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank deposits, trade receivables, loans and other assets	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Debts, borrowings and other liabilities	Rolling cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	No such major exposure
Market risk - security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a) Credit risk management

Credit risk is the risk that the Company will incur a loss because its trade receivable fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its trade receivables based on days past due monitoring at period end. Repayment by individual trade receivable is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit risk arises from loans and advances, cash and cash equivalents, and deposits with banks and financial institutions.

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, and arises principally from the Company's receivables from customers and investments in debt securities.

i) Credit risk

The Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Definition of Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which company operates and other macro-economic factors.

For Trade receivables, definition of default has been considered at 90 days past due after looking at the historical trend of receiving the payments.

Centrum Retail Services Limited

Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

ii) Provision for expected credit losses

The company provides for expected credit loss based on following:

Particulars	Description of category	Basis for recognition of expected credit loss provision
Stage 1	12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.	12-month expected credit losses
Stage 2	Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.	Life-time expected credit losses
Stage 3	Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.	Life-time expected credit losses / Credit Loss is recognized on full exposure

Year ended March 31, 2024

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Loans	16,592.41	53.93
	Other financial assets	9.76	0.03
Loss allowance measured at Lifetime expected credit losses	Cash and Cash equivalents	2,171.17	-
	Trade Receivables	68.44	19.40
	Loans	69,686.03	3,321.73
	Other financial assets	9,773.26	1,365.63

Year ended March 31, 2023

Particulars	Asset group	Estimated gross carrying amount at default	Expected credit losses
Loss allowance measured at 12 month expected credit losses	Loans	13,751.40	81.34
	Other financial assets	102.11	0.60
Loss allowance measured at Lifetime expected credit losses	Cash and Cash equivalents	3,185.08	-
	Trade Receivables	148.76	33.81
	Loans	74,868.36	2,237.38
	Other financial assets	9,316.99	85.83

Cash and cash equivalents

Cash and cash equivalents include balance of ₹ 2,171.17 Lakhs at 31 March 2024 (2023: ₹ 3,185.08 Lakhs) is maintained as cash in hand and balances with Bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Loans and advances

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. The loans given by the company are mostly unsecured and their credit risk is determined based on credit evaluation undertaken by the Company. The company regularly monitors these loans to ensure that these entities have enough liquidity which safeguards the interest of the company. The loss allowance recognised during the period was at 12 months and lifetime expected losses depending on the credit risk assessment done by the company. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flows obligations in the near terms.

Trade Receivables

The Company has established a simplified impairment approach for qualifying trade receivables. For these assets, company has recognized a loss allowance based on Lifetime ECLs rather than the two step process under the general approach.

Derivative assets

The Company enters into derivatives for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional Amounts	Fair Value Assets	Notional Amounts	Fair Value Assets
Index derivatives:			352.13	385.17
Total	-	-	352.13	385.17

Measurement of Expected Credit Losses

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

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon

origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

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

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

In determining whether the credit risk on a financial asset has increased significantly, the company considers the change in the risk of a default occurring

since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

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

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Probability of Default (PD)

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

Loss Given Default (LGD)

Historical recovery is usually considered to calculate Loss Given Default (LGD). For all stages, cases (DPD > 90) are considered while arriving at historical LGD. Recovery period for all the cases are 3 months, the capping is based on assumption that maximum recovery gets incurred within 6 months of default and after that recovery is negligible. For Company significant data for computation of LGD was not available. Hence, Basel reference is used for LGD. Accordingly we have used 65% as LGD which corresponds against Senior Unsecured Claims.

Exposure at default (EAD)

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

iii) Reconciliation of loss allowance provision

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses		
	For Trade Receivables	For Loans	For other Financial Assets
Loss allowance on 31st March 2023	33.81	2,318.72	86.43
Changes in loss allowances due to:			
Bad debts written off	-	-	-
Net Remeasurement of loss allowance	(14.41)	1,056.93	1,279.23
Loss allowance on 31st March 2024	19.40	3,375.65	1,365.66

Loans that are past due but not impaired

Loans that are 'past due but not impaired' are those for which contractual interest or principal payments are past due but Company believes that impairment is not appropriate on the basis of the level of security or collateral available and/or the stage of collection of amounts owed to Company.

As of March 31, 2024, Company does not have any exposure on loans and advances that were modified but not derecognised during the year, for which the provision for doubtful debts was measured at a lifetime ECL at the beginning of the year and at the end of the year had changed to 12- months ECL

Concentration of credit risk

The Company monitors concentrations of credit risk by sector and by segments. The major portfolio of Company is under Loans. Company regularly track the performance of the loan portfolio as this has high concentration risk.

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. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Financing arrangements

The Bank has access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Undrawn borrowing facilities	1,900.40	159.85

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2024 (₹ in Lakhs)

Particulars	Contractual cash flows				
	Gross nominal inflow/ (outflow)	Less than 1 year	1-2 Years	2-4 years	More than 4 years
(a) Debt Securities	(59,859.00)	(24,125.00)	(14,391.00)	(21,343.00)	-
(b) Other than Debt Securities	(1,777.94)	(249.24)	(253.81)	(458.26)	(816.63)
Unsecured loan	(5,175.00)	(5,175.00)	-	-	-
Trade Payable	(62.65)	(62.65)	-	-	-
Interest accrued but not due	(24,877.29)	(10,631.51)	(6,870.42)	(7,136.40)	(238.96)
Others	(86.73)	(86.73)	-	-	-
Total	(91,838.62)	(40,330.14)	(21,515.23)	(28,937.66)	(1,055.59)

As at March 31, 2023 (₹ in Lakhs)

Particulars	Contractual cash flows				
	Gross nominal inflow/ (outflow)	Less than 1 year	1-2 Years	2-4 years	More than 4 years
(a) Debt Securities	(58,886.00)	(18,010.00)	(21,002.00)	(19,874.00)	-
(b) Other than Debt Securities	(1,462.75)	(112.13)	(123.78)	(269.44)	(957.40)
Unsecured loan	(2,012.00)	(2,012.00)	-	-	-
Trade Payable	(790.05)	(790.05)	-	-	-
Interest accrued but not due	(9,373.70)	(3,979.32)	(4,546.78)	(847.60)	-
Others	(86.73)	(86.73)	-	-	-
Total	(72,611.23)	(24,990.23)	(25,672.56)	(20,991.03)	(957.40)

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

c. Market risk

Market risk is the risk that changes in market prices – such as, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Total market risk exposure

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
Assets						
Cash and cash equivalents	2,171.17	-	2,171.17	3,185.08	-	3,185.08
Bank balance other than cash and cash equivalents above	2,858.42	-	2,858.42	945.89	-	945.89
Derivative financial instruments	-	-	-	385.17	385.17	-
Trade receivables	49.04	-	49.04	114.95	-	114.95
Loans	82,902.79	-	82,902.79	86,301.04	-	86,301.04
Investments - at cost	7,656.35	-	7,656.35	4,848.21	-	4,848.21
Investments - at FVTPL	1,302.50	1,302.50	-	442.68	442.68	-
Other financial assets	8,417.36	-	8,417.36	8,890.39	-	8,890.39
Liabilities						
Derivative Financial Instruments	10,662.42	10,662.42	-	13,578.71	13,578.71	-
Debt securities	48,449.83	-	48,449.83	44,018.72	-	44,018.72
Borrowings (other than Debt securities)	6,563.92	-	6,563.92	3,470.39	-	3,470.39
Lease Liabilities	916.42	-	916.42	638.03	-	638.03
Trade Payables	62.65	-	62.65	790.05	-	790.05
Other financial liabilities	11,298.56	-	11,298.56	9,460.43	-	9,460.43

Centrum Retail Services Limited
Notes Forming Part of the Financial Statements for the Year Ended March 31, 2024

i) Price risk

Price risk exposes the Company to fluctuations in fair values or future cash flows of a financial instrument because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

(₹ in Lakhs)

Particulars	As at March 31, 2024			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Debt securities	0.01	(0.01)	-	-
(b) Equity Shares	13.02	(13.02)	-	-
(c) Preference shares	-	-	-	-
(d) Options(net)	-	-	-	-
(e) Embedded Derivative Liability	(106.62)	106.62	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2023			
	Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease
(a) Debt securities	0.01	(0.01)	-	-
(b) Equity Shares	-	-	-	-
(c) Preference shares	4.42	(4.42)	-	-
(d) Options(net)	3.85	(3.85)	-	-
(e) Embedded Derivative Liability	(135.79)	135.79	-	-

ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's 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.

Exposure to interest rate risk

The interest rate profile of the Bank's interest-bearing financial instruments as reported to the management is as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial assets	2,072.38	3,159.85
Financial liabilities	187.81	183.89
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	1,201.11	1,281.03

Centrum Retail Services Limited
Notes Forming part of the Financial Statements for the year ended March 31, 2024

Note 41 : Segment Information :-

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

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

(₹ in Lakhs)

Particulars	Marcrh 31, 2024				March 31, 2023			
	Business Support	Financial activities	Commodity Trading	Total	Business Support	Financial activities	Commodity Trading	Total
Information about Primary business Segments								
Income								
Income from operations	1,895.74	11,727.25	11,551.38	25,174.36	2,204.40	8,493.77	8,446.19	19,144.36
Unallocable Corporate Income	-	-	-	348.71	-	-	-	286.64
Total Income	1,895.74	11,727.25	11,551.38	25,523.07	2,204.40	8,493.77	8,446.19	19,431.00
Expenditure	2,395.46	13,792.24	11,519.26	27,706.97	2,621.73	12,410.28	8,449.41	23,481.42
Segment Result	(499.72)	(2,064.99)	32.11	(2,183.90)	(417.33)	(3,916.51)	(3.22)	(4,050.42)
Unallocable Corporate Expenditure	-	-	-	2,485.57	-	-	-	2,006.36
Profit before Exceptional items and tax	(499.72)	(2,064.99)	32.11	(4,669.47)	(417.33)	(3,916.51)	(3.22)	(6,056.78)
Exceptional Items	-	-	-	249.49	-	10,658.68	-	10,658.68
Profit before tax	(499.72)	(2,064.99)	32.11	(4,419.97)	(417.33)	6,742.17	(3.22)	4,601.90
Tax Expense								
Current Tax	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-	-	-
Tax adjustments of earlier years	-	-	-	-	-	-	-	7.72
Net Profit/(Loss)	(499.72)	(2,064.99)	32.11	(4,419.97)	(417.33)	6,742.17	(3.22)	4,594.18
Other Information								
Segment assets	374.34	90,993.90	-	91,368.24	521.76	95,169.78	-	95,691.55
Unallocable Corporate Assets	-	-	-	17,270.93	-	-	-	12,084.43
Total Assets	374.34	90,993.90	-	1,08,639.18	521.76	95,169.78	-	1,07,775.98
Segment liabilities	1,063.01	76,887.99	-	77,950.99	1,514.81	70,441.51	-	71,956.33
Other unallocated liabilities	-	-	-	439.25	-	-	-	847.55
Total liabilities	1,063.01	76,887.99	-	78,390.24	1,514.81	70,441.51	-	72,803.88

Centrum Retail Services Limited
Notes Forming part of the Financial Statements for the year ended March 31, 2024

Note 42: RATIOS

Sr. No.	Particulars	Numerator	Denominator	Mar-24	Mar-23	% Change	Reason for change by more than 25%
1	Current Ratio	Current Assets	Current Liability	1.06	1.72	-38.00%	Current ratio has decreased due to decrease in current assets higher than increase in current liabilities
2	Debt Equity Ratio	Total Borrowings	Equity	2.20	1.76	24.77%	Not applicable
3	Debt Service Coverage Ratio	EBITDA	Interest + Current Debt	0.54	1.43	-62.41%	The decrease in the Debt Service Coverage Ratio is a result of a decline in EBITDA coupled with an increase in current debt within the current fiscal year.
4	Trade receivables Turnover (times)	Net Credit Sales	Avg Trade Receivable	307.03	320.98	-4.35%	Not applicable
5	Return on Equity	Profit After Tax	Average Shareholder's Equity	-13.52%	14.13%	-195.69%	Net Profit ratio has decreased due to net loss incurred in current year
6	Trade Payables Turnover (times)	Other Expenses	Avg Trade Payables	6.71	3.93	70.75%	Trade Payables Turnover has increased due to decrease in avg trade payable balances
7	Return on Capital employed	Profit before interest and tax	Average Capital Employed	8.76%	20.91%	-58.12%	The decline in Return on Capital Employed stems from a reduction in Profit Before Interest and Tax
8	Return on Investments	(Closing MP - Opening MP)	Opening Price	-	-	-	Not applicable
9	Net Profit ratio	Profit After Tax	Revenue From Operations	-17.51%	24.00%	-172.97%	Net Profit ratio has decreased due to net loss incurred in current year
10	Net capital turnover ratio	Revenue From Operations	Average Net Working Capital	237.57%	55.68%	326.65%	The Net Capital Turnover Ratio has experienced a boost attributed to both the uptick in revenue from operations and the concurrent decrease in the working capital balance

Centrum Retail Services Limited
Notes Forming part of the Financial Statements for the year ended March 31, 2024

Note 43: OTHER STATUTORY INFORMATION

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any such transactions which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the income tax act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not been declared as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guidance on wilful defaulters issued by Reserve Bank of India.
- (vi) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the act read with companies (Restriction on number of Layers) Rules, 2017.
- (vii) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (viii) The Company has not entered into a transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current or previous year.
- (ix) The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Note 44 : Previous year figures are re-grouped/re-arranged wherever necessary to conform to current year's classification.

Note 45 : The financial statements have been approved for issue by Company's Board of Directors on April 29, 2024.

In terms of our report attached
For **A.T. Jain & Co.**
Chartered Accountants
(Firm's Registration No. 103886W)

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

Sushil T. Jain
Partner
Membership No. 033809
Mumbai, April 29, 2024

Steven Pinto
Non-Executive Chairman
DIN: 00871062
Mumbai, April 29, 2024

Kapil Bagla
Managing Director
DIN : 00387814
Mumbai, April 29, 2024

Amitkumar Rajput
Chief Financial Officer
Mumbai, April 29, 2024

Balakrishna Kumar
Company Secretary
Mumbai, April 29, 2024



Centrum Wealth Limited

Annual Report 2023-24

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CENTRUM WEALTH LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Centrum Wealth Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material 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, 2024, its profit (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.

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 and Management Discussion and Analysis, but does not include the Ind AS financial statements and our auditor's report thereon. The Director's Report and Management Discussion and Analysis are expected to be made available to us after the date of this auditor's report.

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 identified above, when it becomes available 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.

When we read the Director's Report and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

The 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, 2020 ("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:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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) On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
 - g) 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, as amended:

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

h) With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact of pending litigations on its financial position as at 31st March, 2024 in its financial statements – Refer Note No. 32.
- 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.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i)(i) and (i)(ii) above, contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year; therefore, no reporting

is required about compliance to Section 123 of the Act.

- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Sushil T Jain
Partner
Membership No. 033809

UDIN: 24033809BKARWW2005
Place: Mumbai
Date: 26.04.2024

Annexure 1 to the Independent Auditor's Report

Referred to in paragraph 1 under the section "Report on Other Legal and Regulatory Requirements" of Independent Auditor's Report of even date to the members of Centrum Wealth Limited on the Ind AS Financial Statements for the year ended March 31, 2024

Based on 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 the audit procedures performed for the purpose of reporting a true and fair view on the Ind of audit, we report that:

- i. (a)(A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) As per the information and explanations given to us, the Property, Plant and Equipment was physically verified during the period by the management as per its program. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.

(c) According to information and explanations provide by the management and audit procedures performed, the company does not hold any immovable properties and hence the requirements under clause 3(i)(c) of the said Order is not applicable to the Company.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use of assets) or intangible assets does not arise.

(e) According to the information and explanations provided by the management, the company did not have any proceedings initiated nor pending under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) As explained to us, the company does not own any inventory and therefore the reporting under paragraph 3(ii)(a) of the Order is not applicable.

(b) The company has not availed any working capital limits from banks or financial institutions and therefore the reporting under paragraph 3(ii)(b) of the Order is not applicable.
- iii. (a) According to information and explanations given to us, during the year, company has provided loans and made investments in companies.

(A) During the year, company has not provided loans or advances in the nature of Loans, or stood guarantee, or provided security to subsidiaries, joint ventures and associates.

(B) During the year, company has provided loan to parties other than subsidiaries, joint ventures and associates, the details of which are as follows:

(Rs. in Lakhs)

	Loans
Aggregate amount granted/provided during the year	
- Others	325.00
Balance outstanding as at balance sheet date in respect of above	
- Others	Nil

(b) The terms and conditions of the grant of such Loan is, in our opinion, prima facie, not prejudicial to the company's interest.

(c) In respect of such loans & advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular except for the below case

(Rs in Lakhs)

Name of the Entity	Interest overdue	Due Date	Extent of Delay (In days)
Standard Financial Consultants Pvt Ltd (Principal & Interest)	5.83	31-03-2020	1462
	12.5	30-06-2020	1371
	29.77	30-09-2020	1279
	45.8	31-12-2020	1187
	45	31-03-2021	1097
	45.5	30-06-2021	1006
	46	30-09-2021	914
	46	31-12-2021	822
	45	31-03-2022	732
	45.5	30-06-2022	641
	46	30-09-2022	549
	46	31-12-2022	457
	45	31-03-2023	367
	124.95	01-04-2023	366
45.5	30-06-2023	276	

	124.95	01-07-2023	275
	46	30-09-2023	184
	124.95	01-10-2023	183
	46	31-12-2023	92
	124.95	01-01-2024	91
	45.5	31-03-2024	1

(d) In respect of loans, principal amount and interest overdue for more than ninety days amounted to Rs. 1,141.20 lakhs.

(Rs. in Lakhs)

No. of Cases	Principal Overdue	Interest Overdue	Remarks
1	499.80	641.40	Company is regularly following up with the party to regularize the Interest overdue.

(e) There were no loans or advances in the nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Therefore, the provisions of Clause 3(iii)(f) of the said Order are not applicable to the Company

- iv. In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the Company to the extent applicable.
- v. According to information and explanations provided to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, Goods and Service Tax (GST), cess or any other material statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in few cases which are not serious.

As explained to us, the Company did not have any dues on account of Sales tax, Service tax, Value added tax, duty of customs and duty of Excise. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Goods and Service Tax, cess and other statutory dues applicable to the company were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable except provident fund of Rs. 31,828.

(b) According to the information and explanation given to us and based on our examination of the records of the company, there were no material amounts due as on 31st March, 2024, in respect of Income tax, Goods and Service tax, cess and other statutory dues which have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following dues of income tax have not been deposited by the company on account of disputes:

Name of Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which it relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	970.66 Lakhs	FY 2021-22	Commissioner of Income Tax (Appeals)	-

viii. According to the information and explanations given to us and the records of the company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. We have been informed by the management that the company does not have any undisclosed income and therefore the provisions of Clause 3(viii) of said Order are not applicable to the company.

ix. (a) In our opinion and according to information and explanations provided to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Therefore, the provisions of Clause 3(ix)(a) of the Order are not applicable to the company.

(b) According to information and explanations provided to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on the documents and records examined by us,- the Company has not obtained any term loans during the year and therefore, provisions of Clause 3(ix)(c) of the Order are not applicable to the company.

(d) According to information and explanations provided to us and the procedures followed by us and an overall examination of the financial statements of the Company, we report that no funds raised on short - term basis have been used for long term purposes by the Company.

(e) According to information and explanations provided to us, the company has not raised any funds on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The company has not raised loans during the year on the pledge of any security held in its subsidiary company and therefore the provisions of Clause 3(ix)(f) of said Order are not applicable to the company.

x. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, provisions of Clause 3(x)(a) of the Order are not applicable to the company.

(b) According to the information and explanations given to us and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or convertible optionally convertible) during the year and therefore, provisions of Clause 3(x)(b) of the Order are not applicable to the company.

xi. (a) 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.

(b) 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, a report under Section 143(2) of the Act, in form ADT – 4, as prescribed under Rule 13 of The Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, reporting under Clause 3(xi)(c) of said Order are not applicable to the company.

xii. In our opinion and according to information and explanations provided to us, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

xiii. In our opinion and as per information and explanations provided to us by management all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required under

Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

- xiv. (a) In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting commensurate with the size and nature of its business.
- (b) We have considered the report of Internal Auditor for the period under audit while forming an opinion on the Financial Statements.
- xv. According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) According to information and explanations provided to us and audit procedures performed, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) According to the information and explanations given to us and the records of the Company examined by us, the company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the company, the Group does not have more than one CIC which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us, and the records of the company examined by us, the company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year and therefore, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us by the management and the records of the Company examined by us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and other information accompanying the financial statements, and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and

when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged.

xx. (a) In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount of Rs. 31,11,968 to a special account (CSR Unspent Account) on 23.04.2024 i.e., within a period of 30 days from the end of the financial year in compliance with section 135(6) of the Act (Refer Note 27.2 of the financial statements).

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Sushil T Jain
Partner
Membership No. : 033809
Date : 26.04.2024
Place : Mumbai

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date to the members of **Centrum Wealth Limited** on the Ind AS financial statements for the year ended March 31, 2024]

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 Wealth Limited**("the Company") as of March 31, 2024 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s. A. T. Jain & Co.**
Chartered Accountants
FRN Number: 103886W

Sushil T Jain
Partner
Membership No. 033809
Place: Mumbai
Date: 26.04.2024

Centrum Wealth Limited
Statement of Assets and Liabilities as at 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at	
		31-Mar-24	31-Mar-23
ASSETS			
Non-current assets			
Property, plant & equipment	2	182.90	167.58
Other Intangible assets	3	332.48	226.80
Intangible assets under development	3	22.50	152.50
Right of use of assets	4	689.51	421.58
Financial assets			
(i) Investments	5	4,049.26	4,049.26
(ii) Loans and Advances	6	-	895.95
(iii) Other financial assets	7	42.18	50.27
Deferred tax assets (net)	8	565.77	259.65
Other Non-Current Assets	9	663.33	766.88
		<u>6,547.94</u>	<u>6,990.47</u>
Current assets			
Financial assets			
(i) Investments	5	-	70.29
(ii) Trade receivables	10	1,312.14	1,492.07
(iii) Cash and cash equivalents	11	174.02	13.33
(iv) Bank balances other than cash and cash equivalents	12	-	2,000.00
(v) Loans and Advances	6	1,043.66	447.71
(v) Other financial assets	7	14.87	12.25
Other current assets	12	1,088.20	1,407.54
		<u>3,632.89</u>	<u>5,443.20</u>
Total		<u>10,180.83</u>	<u>12,433.66</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,000.00	2,000.00
Other equity	14	4,520.39	4,260.04
		<u>6,520.39</u>	<u>6,260.04</u>
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	16	492.54	317.49
Provisions	18	468.61	378.69
		<u>961.15</u>	<u>696.18</u>
Current liabilities			
Financial liabilities			
(i) Borrowings	15	1,050.00	3,015.61
(ia) Lease Liabilities	16	216.21	101.31
(ii) Trade Payables			
(a) total Outstanding dues of Micro Enterprises and Small Enterprises	19	-	-
(b) total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		53.67	118.77
(iii) Other financial liabilities	17	335.25	442.68
Provisions	18	588.42	1,168.90
Other current liabilities	20	455.74	421.76
Current Tax Liabilities (Net)	21	-	208.41
		<u>2,699.28</u>	<u>5,477.43</u>
Total		<u>10,180.83</u>	<u>12,433.66</u>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
INCOME			
Revenue from operations	22	12,836.14	18,885.86
Other Income	23	300.68	176.66
Total Income		13,136.82	19,062.52
EXPENSES			
Employee benefit expenses	24	8,692.96	8,959.76
Finance costs	26	330.12	127.75
Depreciation and amortisation expense	25	305.56	163.16
Other expenses	27	3,669.83	3,699.61
Total expenses		12,998.48	12,950.29
Profit/(Loss) before tax		138.34	6,112.23
Income tax expense			
- Current tax		225.26	1,365.18
- Tax expenses/(credit) relating to earlier years		57.13	73.52
- Deferred tax		(278.52)	77.92
Profit/(Loss) for the Year- A		134.48	4,595.62
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of post employment benefit obligation		(109.67)	(58.31)
II. Income Tax relating to above items		27.60	14.68
Other comprehensive income for the Year- B		(82.06)	(43.63)
Total comprehensive income for the Year (A+B)		52.42	4,551.98
Earning per Equity Share (in INR)			
Basic		0.67	22.98
Diluted		0.67	22.98

The accompanying notes are an integral part of these financial statements
As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Cash Flow Statement for the Year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	138.34	6,112.23
Adjustments for :		
Interest expenses on borrowings measured at amortised cost	216.06	66.68
Interest on lease liability	57.39	29.64
Depreciation and amortization	305.56	163.16
Loss on Write off of Property Plant and Equipment	1.12	7.35
Interest Income from financial assets at amortised cost	(223.22)	(221.60)
Unwinding of Interest on Security Deposits	(6.35)	(4.86)
Unrealised Foreign Exchange Loss / (Gain)	-	(0.91)
Changes in Fair Value of Investments held for trading	0.87	(0.872)
Changes in Fair Value of Investments at fair value through profit and loss	-	80.99
Allowances for Doubtful debts	57.63	334.36
Refund Liabilities	(5.00)	-
Allowance for loans and Security deposits	483.90	11.15
Modification Gain / (Loss)	(6.44)	(5.11)
Operating Profit/ (loss) before working capital changes	1,019.88	6,572.21
Movement in working capital:		
Decrease/(Increase) in Trade receivable	126.78	(53.20)
Decrease/ (Increase) in Financial instruments held for trading	69.41	(69.41)
Decrease/(Increase) in Other financial assets	(140.83)	290.24
Decrease/(Increase) in Other assets	345.65	(26.53)
Increase/(Decrease) Provisions	(380.90)	(800.56)
Increase/(Decrease) Trade Payable & Other financial liabilities	(172.54)	100.15
Increase/(Decrease) other liabilities	33.98	(191.15)
Net cash generated/ (used) in Operations	901.42	5,821.74
Taxes paid Net of Refund	(278.47)	(927.07)
Net cash generated / (used) in Operating Activities (A)	622.96	4,894.67
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(82.00)	(164.75)
Purchase of Intangible assets	(33.75)	(106.29)
Sale/(Purchase) of current investments - Net	-	0.32
Purchase of Non-current investments	-	(3,768.75)
Loans and advances given	(1.75)	(30,500.00)
Collection from loans and advances	1.75	30,500.00
(Investment) in / Redemption of Fixed Deposits	2,000.00	(2,000.00)
Interest Received	48.11	31.20
Net cash generated / (used) in Investing Activities (B)	1,932.36	(6,008.26)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	43,695.00	62850.61
Repayment of short-term borrowings	(45,664.02)	(61,650.00)
Repayment of lease liabilities	(152.17)	(68.96)
Interest paid	(273.45)	(96.32)
Net cash generated / (used) from Financing Activities (C)	(2,394.63)	1,035.33
Net increase/ (decrease) in Cash and Cash equivalents (A+B+C)	160.68	(78.25)
As at the beginning of the year	13.33	91.58
Closing cash and cash equivalents	174.02	13.33
As at the end of the year		
Cash in hand	1.54	1.31
Balance with scheduled banks-Current accounts	172.48	12.03
Closing cash and cash equivalents	174.02	13.33

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

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Statement of changes in equity as on 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	31-Mar-24	31-Mar-23
Balance at the beginning of the reporting year	2,000.00	2,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	2,000.00	2,000.00
Changes in equity share capital during the year	-	-
Balance at the end of the current reporting year	2,000.00	2,000.00

B. Other Equity

As on 31st March, 2024

Particulars	Reserves and Surplus			Money received against share warrants	Total
	Securities Premium	Retained Earnings	Share Options outstanding		
Balance at the beginning of the year	1,197.00	3,053.04		10.00	4,260.04
Changes in accounting policy or prior period errors	-	-		-	-
Restated balance at the beginning of the year	1,197.00	3,053.04		10.00	4,260.04
Employee Stock Option Expense			207.94		207.94
Total Comprehensive Income for the year	-	52.42		-	52.42
Balance at the end of the year	1,197.00	3,105.45	207.94	10.00	4,520.39

As on 31 March 2023

Particulars	Reserves and Surplus			Money received against share warrants	Total
	Securities Premium	Retained Earnings	Share Options outstanding		
Balance at the beginning of the year	1,197.00	(1,498.94)	-	10.00	(291.94)
Changes in accounting policy or prior period errors	-	-		-	-
Restated balance at the beginning of the year	1,197.00	(1,498.94)		10.00	(291.94)
Total Comprehensive Income for the year	-	4,551.98		-	4,551.98
Balance at the end of the year	1,197.00	3,053.04	-	10.00	4,260.04

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Whole Time Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited

Notes to the Financial Statements for the year ended March 31, 2024

Corporate Information

Centrum Wealth Limited ('Company' is a Public Limited Company incorporated and domiciled in India. The Company is registered with AMFI as Mutual fund distributor. It is also registered as a Corporate Agent (Composite) with Insurance Regulatory and Development Authority of India (IRDAI). The Company is engaged in the business of Wealth Management of its clients and offers a comprehensive suite of financial products including Mutual Funds to suit client objectives and risk- return profiles based on time tested principles of Asset allocation and diversification. Asset classes offered include Equity, Insurance, Fixed Income and Debt offerings, Real Estate and Alternative Assets. The company also deals in securities. The Company's registered office is in Mumbai, Maharashtra, India.

The company is a subsidiary company of Centrum Retail Services Limited (CRSL) which holds 1,46,09,780 shares aggregating to 73.05% of shareholding.

1.0 Accounting policies

1.1 Basis of Preparation

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

- certain financial instruments (including Derivative Instruments) which are measured at fair value and
- defined benefit plan – plan assets measured at fair value.
- Share Based Payments

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

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

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakh, except otherwise indicated.

1.2 Presentation of financial statements

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

1.3 Current/ Non-current classification:

An asset is classified as current if:

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

All other assets are classified as non-current.

A liability is classified as current if:

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Notes to the Financial Statements for the year ended March 31, 2024

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

All other liabilities are classified as non-current.

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

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

1.4 Property, plant and equipment

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

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

Property, plant and equipment are derecognised from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss in the year of occurrence.

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

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 or on the basis of useful lives of the assets as estimated by management, whichever is lower.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Additions to Assets or where any asset has been sold or discarded, is calculated on a Pro-rata basis from the date of such additions or up to the date of such sale or discard as the case may be. Leasehold improvements are amortized over a period of lease or useful life whichever is less. Useful Life of the assets is tabulated below:

Nature of Assets	Estimated useful life
Computers- End Users such as Desktops, Laptops, etc	3 years
Computers- Servers and Networks	6 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Electric Installation and Equipments	10 years
Motor Cars	8 years
Leasehold Improvements	Over the Lease period of the property

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Intangible assets

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

Acquired intangible assets are initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

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

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

Intangible assets are amortised over their estimated useful life of 10 years

Subsequent expenditure

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

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

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

Intangible assets under development

The cost of computer software not ready to use before year end are disclosed under Intangible Assets under Development are carried at cost, comprising direct cost and related incidental expenses. They are transferred to Intangible assets once those assets are ready to use.

1.5 Borrowing cost

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

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Notes to the Financial Statements for the year ended March 31, 2024

1.6 Impairment of property, plant and equipment and intangible assets

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 using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognized in respect of a cash generating unit is allocated to reduce the carrying amount of the assets of the cash generating unit on a pro-rata basis. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.7 Revenue recognition

Revenue is measured at transaction price (net of variable consideration) based on the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

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

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

Brokerage and commission income

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers. Revenue, where there is no uncertainty as to measurement or collectability of consideration but invoicing has not been completed are recognised as unbilled revenues.

Business support services

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers.

Refund Liabilities:

Revenue from brokerage is recognised as per the rate specified in the contract and revenue is only recognised when it is highly probable that a significant reversal will not occur. Refund liability (included in other current liabilities) is recognised for expected amount of clawback in relation to the upfront income received. Accumulated experience is used to estimate claw back amount as per the expected value method.

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Notes to the Financial Statements for the year ended March 31, 2024

Income from trading in securities

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

Income from Derivative instruments

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

Interest income

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

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

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

Profit and Loss of Sale of Investments

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

Dividend Income

Dividend Income is recognized when the right to receive payment is established.

Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

1.8 Employee benefits

Short term obligations

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

Termination benefits

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

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Defined contribution plans

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

Defined benefit plans

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

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

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

Long-term employee benefits:

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

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

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

1.9 Taxation

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

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

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

Current and deferred tax for the year

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.

Minimum alternate tax (MAT)

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

1.10 Financial instruments

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

A. Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt Instruments

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

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and the cash flow characteristics of the asset. There are three measurement categories into which the Companies classify its debt instruments:

Classification, recognition and measurement

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.

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

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

Measurement:

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

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting

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Notes to the Financial Statements for the year ended March 31, 2024

mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

Equity Instruments

Equity instruments is a contract that evidences residual interest in the assets of the Company after deducting all its liabilities. The Company subsequently measures all equity investments, other than investments in subsidiaries, associates and joint ventures, under the scope of Ind AS 109 at fair value. Changes in the fair value of these instruments are recognized in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

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

For assets measured at fair value, gains and losses will either be 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	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

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		interest on principal amount outstanding, are measured at FVOCI.		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 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 Interest 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 by instrument basis) at fair value through other	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. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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		comprehensive income. This 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.

Investments in subsidiaries, associates and joint ventures

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

(i) Impairment:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The method and significant judgements used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in Note 32.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(ii) Derecognition of financial assets:

A financial asset is derecognised only when

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

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Notes to the Financial Statements for the year ended March 31, 2024

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

Where the entity 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.

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

Write-off policy

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

(i) Financial liabilities and equity instruments :

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

Classification, recognition and measurement:

(a) Equity Instruments:

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

(b) Financial liabilities:

Initial recognition and measurement:

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

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

Subsequent measurement:

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

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

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings
- Trade and other payables

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Notes to the Financial Statements for the year ended March 31, 2024

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

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

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

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

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

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

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

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

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

Derecognition:

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

Derivative financial Instruments:

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

Reclassification of financial instrument

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

(ii) 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 realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

1.11 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, 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.

1.12 Cash and cash equivalent:

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

Trade Receivables:

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

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

1.13 Earnings per share:

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

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Notes to the Financial Statements for the year ended March 31, 2024

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued in the conversion of all dilutive potential equity shares into equity shares.

1.14 Foreign Currency Transactions: **Functional currency**

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

Transactions and translations

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

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

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

1.15 Lease

As a lessee

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

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

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

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

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct

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Notes to the Financial Statements for the year ended March 31, 2024

costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

Transition

Effective 1st April, 2019, the Company has adopted Ind AS 116, "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

1.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions.

1.17 Employee Stock Option Plan

Equity-settled share-based payments to employees and others providing similar services that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Share Option Outstanding Account' under other Equity. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalments as a separate grant, because each instalment has a vesting period, and hence the fair value of each instalment differs. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Share Options Outstanding Account is transferred within equity.

1.18 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2023

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Notes to the Financial Statements for the year ended March 31, 2024

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. 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 next financial years.

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

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

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Notes to the Financial Statements for the year ended March 31, 2024

by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

- f. Impairment of Financial Assets:** The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- g. Revenue:** The application of Accounting Standard on Revenue Recognition is complex and use of key judgments with respect to multiple deliverables, timing of revenue recognition, accounting of discounts, incentives etc. The management has reviewed such accounting treatment and is satisfied about its appropriateness in terms of the relevant IND AS.
- h. Leases:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. The Company uses judgements in assessing whether a contract (or a part of contract) includes a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether in-substance are fixed. The judgment involves assessment of whether the assets included in the contract is fully or partially identified asset based on the facts and circumstances, whether a contract included a lease and non-lease components and if so, separation thereof for the purposes of recognition and measurement, determination of lease term basis, inter-alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both.
- i. Stock Appreciation Rights:** Compensation costs in respect of stock appreciation rights (SAR) granted during the year have been determined using the Black Scholes option valuation model. The said model requires the Company to input certain assumptions / variables to determine the fair value of the SAR granted. The Company has applied appropriate levels of judgements in determining these assumption / variables basis the information available as at the measurement date, the details of which are more fully described in note 43.

2. PROPERTY, PLANT & EQUIPMENT

Particulars	Leasehold Improvement	Electric installation & equipments	Furniture & fixtures	Vehicles	Office equipment	Computer	Total
Gross Block							
As at 31st March, 2022	33.25	1.54	7.42	-	22.55	146.62	211.38
Additions	59.00	0.02	2.72	-	5.22	97.79	164.75
Disposals / Transfer / Adjustments	(23.07)	(1.52)	(0.18)	-	(2.52)	(9.40)	(36.69)
As at 31st March, 2023	69.18	0.04	9.97	-	25.25	235.00	339.44
Additions	61.35		0.59		5.65	14.41	82.00
Disposals / Transfer / Adjustments						(7.23)	(7.23)
As at 31st March, 2024	130.53	0.04	10.56	-	30.90	242.18	414.21
Accumulated Depreciation							
As at 31st March, 2022	25.04	0.88	2.90	0.00	18.56	124.07	171.46
Depreciation for the year	6.02	0.15	0.85	-	1.88	20.83	29.73
Disposals / Transfer / Adjustments	(17.35)	(1.04)	(0.16)	-	(2.34)	(8.44)	(29.32)
As at 31st March, 2023	13.71	-0.00	3.59	0.00	18.11	136.46	171.87
Additions	22.70		0.97		1.98	36.81	62.47
Disposals / Transfer / Adjustments						(3.02)	(3.02)
As at 31st March, 2024	36.40	-0.00	4.56	0.00	20.09	170.26	231.31
Net Block							
As at 31st March, 2024	94.12	0.04	6.00	-0.00	10.81	71.93	182.90
As at 31st March, 2023	55.47	0.04	6.38	-0.00	7.14	98.54	167.58

3. OTHER INTANGIBLE ASSETS

Particulars	Computer software	Intangible assets under Development	Total
Gross Block			
As at 31st March, 2022	381.45	95.90	477.35
Additions	49.69	101.55	151.24
Disposals / Transfer / Adjustments		44.95	44.95
As at 31st March, 2023	431.14	152.50	583.64
Additions	163.75	32.50	196.25
Disposals / Transfer / Adjustments		(162.50)	(162.50)
As at 31st March, 2024	594.89	22.50	617.39
Accumulated Depreciation			
As at 31st Mar, 2022	161.83	-	161.83
Depreciation for the year	42.51	-	42.51
Disposals / Transfer / Adjustments	-	-	-
As at 31st March, 2023	204.34	-	204.34
Additions	58.07	-	58.07
Disposals / Transfer / Adjustments		-	-
As at 31st March, 2024	262.41	-	262.41
Net Block			
As at 31st March, 2024	332.48	22.50	354.98
As at 31st March, 2023	226.80	152.50	379.30

Intangible assets under development (Amount in Rs. Lakhs)

Year ended March 31, 2024	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22.50	-	-	-	22.50
Projects temporarily suspended	-	-	-	-	-

Year ended March 31, 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	70.50	82.00	-	-	152.50
Projects temporarily suspended	-	-	-	-	-

4. Right of use of assets

Particulars	Vehicles	Office Premises	Total
Gross Block			
As at 31st March, 2022	-	297.32	315.25
Additions	-	453.08	453.08
Disposals / Transfer / Adjustments	-	(91.63)	(91.63)
As at 31st March, 2023	-	658.77	658.77
Additions	333.42	178.07	511.49
Disposals / Transfer / Adjustments		(116.95)	(116.95)
As at 31st March, 2024	333.42	719.88	1,053.30
Accumulated Depreciation			
As at 31st March, 2022	-	187.06	204.99
Depreciation for the year	-	90.91	90.91
Disposals / Transfer / Adjustments	-	(40.79)	(40.79)
As at 31st March, 2023	-	237.19	237.19
Additions	53.38	131.73	185.11
Disposals / Transfer / Adjustments		(58.51)	(58.51)
As at 31st March, 2024	53.38	310.41	363.79
Net Block			
As at 31st March, 2024	280.04	409.47	689.51
As at 31st March, 2023	-	421.58	421.58

Note: Company has not revalued any of its Property, Plant and Equipment or Intangible assets during the year

5. INVESTMENT	Subsidiary / Joint Venture / Others	As at 31-Mar-24	As at 31-Mar-23
Current			
Quoted (No of Debentures: NIL, PY(50))	Others	-	70.29
Investment in Mutual funds	Others		-
Investment in Mutual funds	Others		
Aggregate Value of Quoted Investments at market value		-	70.29
Aggregate Value of Unquoted Investments			-
Aggregate Provision of diminition in value of investments			-
Non Current			
Investment in Equity Instruments at Cost			
Unquoted Fully Paid up Equity shares of Centrum Investment Advisors Limited Face Value : Rs. 10/-, No of Shares : 21,13,000 (PY: 21,13,000)	Subsidiary	4,049.26	4,049.26
Investment in Equity Instruments at FVTPL			
Quoted	Others	-	-
Unquoted	Others	-	-
Investment in Limited Liability Partnerships (LLP) at FVTPL			
Unquoted	Others	125.50	125.50
Aggregate Value of Quoted Investments at market value		-	-
Aggregate Value of Unquoted Investments		4,174.76	4,174.76
Aggregate Provision of diminition in value of investments			
Total Current		-	70.29
Total Non-Current		4,174.76	4,174.76
Less: Allowance for Impairment Loss - Current			-
Less: Allowance for Impairment Loss - Non-Current		(125.50)	(125.50)
Total Net Current Investments		-	70.29
Total Net Non-Current Investments		4,049.26	4,049.26
6. LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		As at 31-Mar-24	As at 31-Mar-23
Current			
Loans to fellow subsidiaries		-	-
Loans to others - Secured*		-	-
Loans to others - Unsecured		2,186.90	1,003.70
Loans which have significant increase in Credit Risk		-	-
Loans - Credit Impaired		-	-
Less : Loss allowance		(1,143.24)	(555.99)
Non current			
Loans to others - Unsecured		-	1,000.20
Loans which have significant increase in Credit Risk		-	-
Loans - Credit Impaired		-	-
Less :Loss allowance		-	(104.25)
Total Current		1,043.66	447.71
Total Non-Current		-	895.95

7. OTHER FINANCIAL ASSETS	As at 31-Mar-24	As at 31-Mar-23
Current		
Interest Receivable	-	7.90
Security Deposits	13.67	3.48
Other receivables	2.87	2.50
Less : Loss Allowance	(1.67)	(1.63)
Non current		
Security Deposits	43.38	50.60
Less : Loss Allowance	(1.19)	(0.33)
Total Current	14.87	12.25
Total Non-Current	42.18	50.27

8. DEFERRED TAX ASSETS	As at 31-Mar-24	As at 31-Mar-23
Deferred tax asset on account of:		
Business Loss	-	-
Employee related Provisions and liabilities	175.76	90.91
Other Liabilities and Provisions		
Loss Allowance for Debtors and loans	335.27	198.98
Refund Liabilities	-	1.26
Others	-	0.70
Fair valuation of Financial Instruments	29.24	29.24
Deferred tax liability on account of:		
Depreciation/Amortisation on property plant and equipments and Intangible assets	30.35	(23.91)
Others	(4.84)	(37.52)
Total	565.77	259.65

Movement in Deferred Tax Assets / Liabilities for the year ended March 31, 2024

Particulars	Opening Balance	Charged /(Credited) to Profit & Loss	Closing Balance
Property, plant & equipment	(23.91)	54.26	30.35
Business Loss	-	-	-
Employee related Provisions and liabilities	90.91	84.85	175.76
Other Liabilities and Provisions	163.42	167.02	330.43
Investments at FVTPL	29.24	-	29.24
Total	259.65	306.12	565.77

Movement in Deferred Tax Assets / Liabilities for the year ended March 31, 2023

Particulars	Opening Balance	Charged /(Credited) to Profit & Loss	Closing Balance
Property, plant & equipment	(44.81)	(20.90)	(23.91)
Business Loss	-	-	-
Employee related Provisions and liabilities	145.72	54.81	90.91
Other Liabilities and Provisions	210.81	47.40	163.42
Investments at FVTPL	11.17	(18.07)	29.24
Total	322.90	63.24	259.65

9. OTHER NON-CURRENT ASSETS (Unsecured, considered good unless otherwise stated)	As at 31-Mar-24	As at 31-Mar-23
Advance Tax [Net off Provision for Tax -Rs.1766.60 lakhs, (Previous year -Rs. 119.04 Lakhs)]	606.46	761.66
Other Advances	51.66	-
Prepaid Expenses	5.21	5.22
Total	663.33	766.88

10. TRADE RECEIVABLES	As at 31-Mar-24	As at 31-Mar-23
Secured		
Unsecured, Considered good - Related Party	443.0	507.59
Unsecured, Considered good - Others	1,031.0	1,093.18
Receivables with significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less : Loss Allowance	(161.85)	(108.70)
Total	1,312.14	1,492.07

During the Previous Year, Company has written off bad debts of Rs. 64.40 Lakhs against old outstanding receivables. Loss Allowance has been reversed to the extent of Bad debts written off .

Trade Receivables ageing schedule as on 31 March,2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1320.12	56.15				1,376.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	51.14	15.32	31.26	97.73
(iii) Undisputed Trade Receivables – credit impaired	-	-				-
(iv) Disputed Trade Receivables–considered good	-	-				-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-				-
(vi) Disputed Trade Receivables – credit impaired	-	-				-
ECL - Simplified Approach	(48.41)	(15.71)	(51.14)	(15.32)	(31.26)	(161.85)
Net Carrying Amount	1,271.71	40.44	-	-	-	1,312.15

Trade Receivables ageing schedule as on 31 March,2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1533.85	18.11	-			1,551.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	19.42	1.19	28.20	77.01
(iii) Undisputed Trade Receivables – credit impaired	-	-				-
(iv) Disputed Trade Receivables–considered good	-	-				-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-				-
(vi) Disputed Trade Receivables – credit impaired	-	-				-
ECL - Simplified Approach	(55.20)	(4.69)	(19.42)	(1.19)	(28.20)	(136.90)
Net Carrying Amount	1,478.65	13.42	-	-	-	1,492.07

11. CASH AND CASH EQUIVALENTS

	As at 31-Mar-24	As at 31-Mar-23
Cash on hand	1.54	1.31
Balances with banks -In current accounts	172.48	12.03
Total	174.02	13.33

There are no repatriation restrictions with regards to Cash and cash equivalents as at the reporting periods and earlier reporting periods.

12. Bank Balances other than Cash and Cash Equivalents

	As at 31-Mar-24	As at 31-Mar-23
Fixed Deposits with maturity more than 3 months but less than 12 months (Fixed Deposit placed with HDFC Bank against Overdraft Facility availed)	-	2,000.00
	-	2,000.00

12. OTHER CURRENT ASSETS

	As at 31-Mar-24	As at 31-Mar-23
Prepaid Expenses	53.82	67.92
Contract assets	974.48	1,340.95
Loans and Advances to Employees and others	1.04	17.90
Capital Advance	3.38	-
Other Advances	79.68	0.47
Less: Loss Allowance	(24.19)	(19.71)
	1,088.20	1,407.54

13. SHARE CAPITAL

	As at 31-Mar-24	As at 31-Mar-23
Authorised Share Capital		
3,00,00,000 equity Shares (Previous Year: 3,00,00,000)	3,000	3,000
Equity shares of Rs. 10 each		
10,00,000 class B equity Shares (Previous Year: 10,00,000)		
Equity shares of ₹ 10/- each		
Total	3,000	3,000
Issued, subscribed and fully paid up Share Capital		
2,00,00,000 equity Shares (Previous Year: 2,00,00,000) of Rs. 10 each	2,000	2,000
Total	2,000	2,000

13.a Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31-Mar-24		As at 31-Mar-23	
	No of shares	Amount	No of shares	Amount
Equity Shares at the beginning of the year - Class A	2,00,00,000	2,000	2,00,00,000	2,000
Add : Shares issued	-	-	-	-
Less : Shares Bought back	-	-	-	-
Equity Shares at the end of the year - Class A equity shares	2,00,00,000	2,000	2,00,00,000	2,000

13.b Rights, preferences and restrictions attached to shares

The Company has two classes of shares - Class A and Class B both of Rs.10 each.

The Company has issued only one class of equity shares - Class A shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Class B equity shares, shall have differential voting rights (DVR equity shares) of the Company such that the DVR Equity Shares shall carry voting rights in all general meetings (including extraordinary

and annual meetings) of at least 74% (Seventy Four Percent) of the total paid up voting share capital of the Company on a fully diluted basis.

Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.c Particulars of shares held by Holding Company

	As at 31-Mar-24	As at 31-Mar-23
Class A Equity Shares		
Centrum Retail Services Limited	1,46,09,780	1,37,26,500

13.d Particulars of shareholders holding more than 5% of aggregate shares

Particulars	As at 31-Mar-24		As at 31-Mar-23	
	No of shares	% Held	No of shares	% Held
Class A Equity Shares				
Centrum Retail Services Limited *	1,46,09,780	73.05%	1,37,26,500	68.63%
Centrum Financial Services Limited	31,80,000	15.90%	20,00,000	10.00%

*Out of 1,46,09,780 Shares, 6 shares are held by nominees on behalf of Centrum Retail Services Limited.

13.e Shareholding of promoters

Promoter Name Class A Equity Shares	As at 31 March 2024		As at 31 March 2023	
	No of Shares	%of total Shares	No of Shares	%of total Shares
Centrum Retail Services Limited *	1,46,09,780	73.05%	1,37,26,500	68.63%

*Out of 1,46,09,780 Shares, 6 shares are held by nominees on behalf of Centrum Retail Services Limited.

14. OTHER EQUITY

	As at 31-Mar-24	As at 31-Mar-23
Securities premium	1,197.00	1,197.00
Retained earnings	3,105.45	3,053.04
Money received against warrants	10.00	10.00
Share Options Outstanding	207.94	-
	4,520.39	4,260.04

Movements in Reserves

Securities premium

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

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	1,197.00	1,197.00
Movement during the year	-	-
Balance at the end of the year	1,197.00	1,197.00

Retained earnings

Retained Earning are the profit of the company earned till date net of appropriations

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	3,053.04	(1,498.94)
Remeasurement of Post Employment benefits obligations (net of tax)	(82.06)	(43.63)
Profit / (Loss) for the year	134.48	4,595.62
Equity Instrument through OCI	-	-
Balance at the end of the year	3,105.45	3,053.04

Money received against warrants

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	10.00	10.00
Movement during the year	-	-
Balance at the end of the year	10.00	10.00

The company had issued 1 (One Only) warrant convertible into Equity Shares, to the holding company Centrum Retail Services Limited in FY 2018-19. Each Warrant is convertible into either i) 1,00,000 equity share of Rs. 10 each pari – passu in all respect including dividend & voting rights with existing equity shares of the company or ii) into 1,00,000 equity shares having Differential Voting Rights of the company having face value of Rs. 10 (Rupees Ten Only) each (“DVR Equity Shares”). (such that the DVR Equity Shares shall carry voting rights in all general meetings (including extraordinary and annual meetings) of at least 74% (Seventy – Four Percent) of the total paid up voting share capital of the company on a fully diluted basis being valid for a period of 5 (five) years or such other maximum period as permissible under the applicable law.

Members of the Company at the Extra-ordinary General Meeting (EGM) held on March 22, 2024, had approved modification of Tenor of 1 (one) Share Warrant issued by the Company and

currently held by Centrum Retail Services Limited under from 5 (five) years to 10 (ten) years i.e. upto March 28, 2029 with no change in any other terms and conditions.

15. BORROWINGS

	As at 31-Mar-24	As at 31-Mar-23
Current (unsecured)		
Loan from related parties	1,050.00	1,150.00
Loan from others	-	-
Current Maturities of long term debt	-	-
Note : Loans from related parties (Short Term loan - Interest Rate - 14%, repayable at the end of the term on 31st March,25)		
Current (secured)		
Bank Overdraft	-	1,865.61
Less : Interest Accrued	-	-
Non-current (unsecured)	-	-
Total Current	1,050.00	3,015.61
Total Non-Current	-	-

Note : Loans from related parties

(Short Term loan - Interest Rate - 14%, repayable at the end of the term on 31st March,25)

1,050.00

1,150.00

16. Lease Liabilities	As at 31-Mar-24	As at 31-Mar-23
Non Current		
Lease Liability	492.54	317.49
Current		
Lease Liability	216.21	101.31
Total Non-Current	<u>492.54</u>	<u>317.49</u>
Total Current	<u>216.21</u>	<u>101.31</u>
17. OTHER FINANCIAL LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Current		
Expenses Payable	289.50	433.19
Payable to Staff	10.40	9.49
ESAR liability	35.34	-
Total Current	<u>335.25</u>	<u>442.68</u>
Total Non-Current	<u>-</u>	<u>-</u>
18. Provisions	As at 31-Mar-24	As at 31-Mar-23
Provision for Gratuity		
Current	238.73	250.47
Non current	317.25	230.36
Provision for Compensated Absences		
Current	32.50	37.40
Non current	151.36	142.99
Provision for other employee benefits		
Current	317.19	881.04
Non current	-	5.34
Total Current	<u>588.42</u>	<u>1,168.90</u>
Total Non-Current	<u>468.61</u>	<u>378.69</u>
19. TRADE PAYABLES	As at 31-Mar-24	As at 31-Mar-23
Total Outstanding dues of Micro Enterprises and Small Enterprises		-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	53.67	118.77
Total	<u>53.67</u>	<u>118.77</u>

As on 31-Mar-24	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2- 3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	51.91	1.76	-	-	53.67
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As on 31-Mar-23	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2- 3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	118.77	-	-	-	118.77
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Centrum Wealth Limited
Notes to the Financial Statements for the Year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

20. OTHER CURRENT LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Refund liabilities	-	5.00
Statutory Dues	414.66	402.21
Other Payables	41.06	14.54
Advance from Customers	-	-
Total	455.74	421.76
21. Current Tax Liabilities (Net)	As at 31-Mar-24	As at 31-Mar-23
Provision for tax for the year (Net of Advance tax, SA Tax and TDS paid of Rs. 1421.70 lakhs)	-	208.41
	-	208.41
22. REVENUE FROM OPERATIONS	Year ended 31-Mar-24	Year ended 31-Mar-23
Revenue from contract with customers		
Brokerage & Commission	11,170.68	15,548.88
Business Support Service Fees	991.85	2,055.60
Adjustments for : Refund liabilities (created) /Written back	5.00	-
Revenue from trading in financial instruments		
Profit /Loss from Trading in Securities (Net)	668.60	1,281.38
Profit / Loss from Trading in Derivative Instruments (Net)	-	-
Total	12,836.14	18,885.86
23. OTHER INCOME	Year ended 31-Mar-24	Year ended 31-Mar-23
Interest Income from financial assets at ammortised cost	223.22	221.60
Interest on Income Tax Refund	57.07	19.12
Unwinding of Interest on Security Deposits	6.35	4.86
Miscellaneous Income	8.49	6.24
Other non-operating Income		
Fair Value Gain / (Loss) on Investments held for trading	(0.87)	0.87
Fair Value Gain / (Loss) on Other Investments	-	(81.14)
Modification Gain / (Loss) on Lease	6.44	5.11
Total	300.68	176.66
24. EMPLOYEE BENEFITS EXPENSE	Year ended 31-Mar-24	Year ended 31-Mar-23
Salaries	7,973.68	8,477.86
Contributions to provident and other funds	451.56	453.34
Share Based Payments to Employees	243.28	-
Staff welfare expenses	24.44	28.57
Total	8,692.96	8,959.76

25. DEPRECIATION AND AMORTIZATION EXPENSE	Year ended	Year ended
	31-Mar-24	31-Mar-23
Depreciation and Amortization expense	305.56	163.16
Total	305.56	163.16

26. FINANCE COSTS	Year ended	Year ended
	31-Mar-24	31-Mar-23
Interest on Borrowings	216.06	66.68
Bank Charges	0.93	0.70
Interest on Employee Benefit Expense	35.53	30.03
Interest on delay in payment of statutory dues	20.21	0.71
Interest on Lease Liability	57.39	29.64
Other Borrowing Cost	-	-
Total	330.12	127.75

27. OTHER EXPENSES	Year ended	Year ended
	31-Mar-24	31-Mar-23
Payments to Auditor	12.30	8.30
Business Promotion Expenses	154.93	180.83
Commission and Brokerage	853.69	974.60
Communication and Internet Expenses	15.76	16.26
IT repairs and Maintenance	155.05	133.95
Electricity Expenses	36.01	29.27
Legal & Professional Fees	485.79	826.39
Director Sitting Fees	14.40	17.70
Business Support Services	654.92	632.52
Data Subscription expenses	37.78	22.23
Office Expenses	85.16	78.69
Membership & Subscription	11.73	10.24
Rent Rates & Taxes	258.80	185.98
Repairs & Maintenance	6.59	5.68
Travelling & Conveyance	73.46	170.02
Insurance	55.54	47.25
Corporate Social Responsibility expenditure	39.35	-
(Recoveries) / Allowances for trade receivables and loans	541.53	345.66
Foreign Exchange gain/loss (Net)	8.32	4.85
Seminar & Conference Expenses	165.10	-
Miscellaneous Expenses	3.59	9.20
Total	3,669.83	3,699.61

27.1 Note: Payments to Auditor	Year ended	Year ended
	31-Mar-24	31-Mar-23
For Audit	9.50	6.50
For Taxation and Company Matters	1.80	1.80
For Other Services	1.00	-
Total	12.30	8.30

27.2 CONTRIBUTION FOR CORPORATE SOCIAL RESPONSIBILITY (CSR)

	Year ended 31-Mar-24	Year ended 31-Mar-23
As per the provisions of Section 135 of Companies Act, 2013		
Gross amount required to be spent by the Company during the year	39.35	-
Amount spent during the year on		
I Construction/acquisition of any assets	-	-
II On purpose other than (i) above	8.23	-
Total (I + II)	8.23	-
(a) amount required to be spent by the company during the year,	39.35	-
(b) amount of expenditure incurred,	8.23	-
(c) shortfall at the end of the year,	31.12	-
(d) total of previous years shortfall,	-	-
(e) reason for shortfall,	-	-
(f) nature of CSR activities	Refer Note Below	-
(g) details of related party transactions		-
(h) where a provision is made with respect to a liability incurred by entering into a contractual	-	-

obligation, the movements in the provision during the year shall be shown separately.

Note : The Company has transferred Rs. 31.12 lakhs to Unspent CSR Account for FY 22-23 as per section 135(6) on 23rd April 2024

Nature of Activities

Name of the Project	List of Activities	Location	Implementing Agency
Feed the Needy	Eradicating hunger, poverty and malnutrition.	Mumbai	Centrum Foundation
Help a Child Walk	Promoting health care	Mumbai	Centrum Foundation
Healthcare Hope	Promoting health care including preventive health care	Mumbai	Centrum Foundation
Educate & empower	Promoting education	Mumbai	Centrum Foundation

28. INCOME TAX EXPENSE

	Year ended 31-Mar-24	Year ended 31-Mar-23
Current tax	225.26	1,365.18
Tax expenses/(credit) relating to earlier years	57.13	73.52
Total Current Tax Expense	282.38	1,438.70
Deferred tax		
Decrease (increase) in deferred tax assets	(306.12)	77.92
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	(306.12)	77.92
Total Income Tax Expense	(23.74)	1,516.62

The reconciliation of estimated Income tax at Statutory income tax rate to Income tax expense report in the statement of profit and loss is as follows

Profit / (Loss) before taxes	138.34	6,112.23
Indian Statutory Income tax Rate - 25.168% (2022-23: 25.168%)	34.82	1,538.33
Rate change impact on deferred tax	-	2.35
Adjustment in tax of previous years	(32.97)	73.52
Reversal of excess Deferred Tax Asset		(24.14)
Losses / Disallowances for which no deferred Income tax has been recognised		(74.50)
Deferred Tax Asset not created on temporary differences	(20.48)	-
Income Tax Recognised in OCI	-	-
Others	(5.11)	1.06
Total Income tax expense	(23.74)	1,516.62

29. Analytical Ratios

Ratio	Numerator	Denominator	Year ended 31-Mar-24	Year ended 31-Mar-23	Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.35	0.99	35%	Reduction in Current provisions
Debt- Equity Ratio	Borrowings	Equity	0.16	0.48	-67%	Reduction in debt
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.10	1.58	-31%	The Ratio has been calculated on Gross Basis, However on a net debt basis , Ratio has improved.
Return on Equity Ratio	Net Profit After Tax	Average Shareholder Equity	0.53%	29%	-98%	Impact of reduction in revenue
Inventory turnover Ratio	NA	NA	NA	NA		
Trade Receivables turnover ratio	Net Credit sales for the year	Average Trade receivables	7.91	9.95	-21%	Increase in Average trade receivables
Trade Payables turnover ratio	Net Credit Purchases	Average Trade Payables	36.19	23.10	57%	Due to nature of business
Net Capital turnover ratio	Net Sales	Working Capital	28.54	-8.40	NA	
Net Profit ratio	Net Profit After Tax	Net Sales	1.05%	24%	-96%	Impact of reduction in revenue
Return on capital employed	Earnings before Interest & Taxes	Equity +Borrowings	6%	98%	-94%	Impact of reduction in revenue
Return on investment	NA	NA	NA	NA	NA	

Centrum Wealth Limited
Notes to the Financial Statements for the year ended 31 March 2024

30. Earnings Per Share (EPS) – Ind AS 33

Particulars	(Rs. in Lakhs)	
	For the year ended 31st March , 2024	For the year ended 31st March , 2023
Face Value per equity share in Rupees	10	10
Basic Earning per share	0.67	22.98
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	134.48	4,595.62
Weighted Average number of equity shares used as denominator for calculating Basic EPS	2,00,00,000	2,00,00,000
Diluted Earnings per share	0.67	22.98
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	134.48	4,595.62
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	2,01,81,392	2,01,00,000
Reconciliation of Weighted average number of shares outstanding		
Weighted Average number of equity shares used as denominator for calculating Basic EPS	2,00,00,000	2,00,00,000
Total Weighted Average potential Equity Shares*	1,81,392	1,00,000
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	2,01,81,392	2,01,00,000

*Dilutive Impact of Employee Stock Option Plan & Share Warrants

31. Disclosure regarding dues to Micro, small and Medium Enterprises

Based on the information available with the Company, there is no outstanding amounts payable to suppliers confirmed to be registered under “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act, 2006”. Accordingly, no disclosures relating to principal amounts unpaid as at the period ended March 31, 2024 together with interest paid /payable are required to be furnished. The aforementioned is based on the responses received by the company to its inquiries with suppliers with regard to applicability under the said Act.

32. Contingent liabilities and Commitments

Particulars	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Claims against the Company, not acknowledged as debts*	970.66	-
Total	970.66	-

As at March 31, 2024 claims against Company not acknowledged as debt is in respect of Income tax matter .The claim against the Company represents demand arising on completion of assessment proceedings under Income Tax Act 1961. The claim is on account of disallowance of expenditure and certain loans .The matter is pending with CIT- Appeals and the management expects that ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.35.88 lakhs for 31st March 2024 (PY:Rs.10.00 lakhs as on 31st March, 2023).

33. Capital

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

Capital Management

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

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

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated.

34. Financial Risk Management Objectives and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activities expose it to a variety of its financial risk such as credit risk, liquidity risk and market 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.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

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

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

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

Credit Risk Management

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

Definition of Default

For Trade receivables, definition of default has been considered at 365 days past due after looking at the historical trend of receiving the payments.

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

Impairment of Financial assets

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

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

Trade & Other Receivables:

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

Cash and Bank balances:

The Company held cash and bank balance of INR 174.02 Lakhs at March 31, 2024 (March 31, 2023: INR 12.33 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

Loans:

All of the entity's debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Measurement of Expected Credit Losses

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

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

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

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

In determining whether the credit risk on a financial asset has increased significantly, the company considers the change in the risk of a default occurring since initial recognition.

The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

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

Probability of Default (PD)

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

Loss Given Default (LGD)

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

Exposure at default (EAD)

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

Reconciliation of loss allowance provision – Trade Receivables, Loans, Security Deposits, Investments and Other financial assets

(Rs. in Lakhs)

Reconciliation of Loss Allowance	Loss Allowance measured at 12 month expected losses			
	Trade receivables	Loans	Other financial Assets	Contract assets
Loss allowance as on 31 March 2022	164.48	329.10	321.80	13.98
Bad debts written off - Reversed from Loss allowance	(64.41)	-	(320.00)	-
Add: Changes in loss allowances	8.63	331.14	0.16	5.73
Loss allowance as on 31 March 2023	108.70	660.24	1.96	19.71
Bad debts written off - Reversed from Loss	-	-	-	-
Add: Changes in loss allowances	53.15	483.00	0.90	4.48
Loss allowance as on 31 March 2024	161.85	1,143.24	2.86	24.19

Market Risk

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
Assets						
Cash and cash equivalents	1.54	-	1.54	1.31	-	1.31
above	172.48	-	172.48	12.03	-	12.03
Derivative financial instruments	-	-	-	-	-	-
Trade Receivables	1,312.14	-	1,312.14	1,492.07	-	1,492.07
Loans	1,043.66	-	1,043.66	1,343.66	-	1,343.66
Investments - at cost	4,049.26	-	4,049.26	4,049.26	-	4,049.26
Investments - at FVOCI	-	-	-	-	-	-
Investments - at FVTPL	-	-	-	70.29	70.29	-
Other financial assets	57.05	-	57.05	62.52	-	62.52
Liabilities						
Trade payables	53.67	-	53.67	119.15	-	119.15
Derivative Financial Instruments	-	-	-	-	-	-
Borrowings (other than Debt securities)	1,050.00	-	1,050.00	3,015.61	-	3,015.61
Other financial liabilities	335.25	-	335.25	442.68	-	442.68

The Company manages market risk through its treasury department, which evaluate and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management. There are no Variable rate borrowings as at end of the reporting periods.

Foreign Currency Risk

The Company's exposures to unhedged foreign currency risk as at the end of the reporting periods expressed in INR are as follows

Particulars	(Amount in Rs.)	
	As at March 31, 2024	As at March 31, 2023
Loan & Advances to related parties	-	-
Loan & Advances to others	-	-
Trade Receivable	-	Rs.22,40,657 (USD 27,270.07 @ closing rate of 1 USD = 82.2164)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on Profit before Tax (Rs. in Lakhs)	
	March 31, 2024	March 31, 2023
INR / USD Sensitivity increase by 5%	-	1.12
INR / USD Sensitivity decrease by 5%	-	(1.12)

Liquidity Risk

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

The details regarding the contractual maturities of significant non derivative financial liabilities as on March 31, 2024 are as follows:

Particulars	Within 1 Year	1-2 Years	2-4 years	Total
Secured Borrowings	0.00	0.00	0.00	0.00
Unsecured Borrowings	1050.00	0.00	0.00	1050.00
Trade Payable	53.67	0.00	0.00	53.67
Other financial liabilities	335.25	0.00	0.00	335.25

Particulars	Within 1 Year	1-2 Years	2-4 years	Total
Secured Borrowings	-	-	-	-
Unsecured Borrowings	3,015.61	-	-	3,015.61
Trade Payable	118.77	-	-	118.77
Other financial liabilities	442.68	-	-	442.68

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

36. Leases**Transition to IND AS 116**

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the Incremental borrowing as on date of initial application.

The details of Right of Use assets held by the Company is as follows :

Particulars	Vehicles	Office premises	Total
Balance as at March 31,2022	-	110.25	110.25
Additions	-	453.08	453.08
Disposals and transfers	-	(50.84)	(50.84)
Depreciation	-	(90.91)	(90.91)
Balance as at March 31,2023	-	421.57	421.57
Additions	333.42	178.07	511.49
Disposals and transfers	-	(58.44)	(58.44)
Depreciation	(53.38)	(131.73)	(185.11)
Balance as at March 31,2024	280.04	409.47	689.51

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

The following is the movement in lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	418.79	106.99
Additions	502.65	433.58
Finance cost accrued during the period	57.39	29.64
Deletions	(60.53)	(52.81)
Payment of lease liabilities	(209.56)	(98.60)
Balance as at end of the year	708.75	418.79

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

Particulars	As at 31 March 2024	As at 31 March 2023
upto 3 months	70.46	34.43
3 to 6 months	70.04	34.43
6 to 12 months	138.79	69.71
1 year to 3 year	481.61	243.08
More than 3 years	69.27	126.60
Total	830.17	508.25

Rental payments for short term leases and assets not considered as leases under IND AS 116 was Rs.209.71 lakhs for FY 2023-24 (PY: 187.39 lakhs).

37. Assets pledged as Security

The Carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	(Rs. in Lakhs)	
		31 March,2024	31 March,2023
Non-Current Assets		-	-
Fixed Deposits	12	-	2,000.00
Total Assets pledged as Security		-	2,000.00

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

39. Key Managerial Person Compensation

Particulars	(Rs. in Lakhs)	
	31 March,2024	31 March,2023
Short term employee benefits	439.03	626.94
Post-employment benefits	-	-
Long term employment benefits	-	-
Termination benefits	-	-
Share based payments	100.53	-
Total	539.56	626.94

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

Centrum Wealth Limited

Notes to the Financial Statements for the year ended 31 March 2024

35: Fair Value Measurements

A. Accounting classification and fair values

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

Financial Assets and Liabilities as at 31 March 2023	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Investment in LLP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	1,312.14	1,312.14	-	-	-	-	-	-	-	-	-	-	1,312.14	1,312.14	1,312.14
Loans and Advances	-	1,043.66	1,043.66	-	-	-	-	-	-	-	-	-	-	1,043.66	1,043.66	1,043.66
Cash and Cash equivalents	-	174.02	174.02	-	-	-	-	-	-	-	-	-	-	174.02	174.02	174.02
Other Financial Assets	42.18	14.87	57.05	-	-	-	-	-	-	-	-	-	-	57.05	57.05	57.05
Total	42.18	2,544.69	2,586.87	-	-	-	-	-	-	-	-	-	-	2,586.87	2,586.87	2,586.87
Financial Liabilities																
Borrowings	-	1,050.00	1,050.00	-	-	-	-	-	-	-	-	-	-	1,050.00	1,050.00	1,050.00
Trade Payables	-	53.67	53.67	-	-	-	-	-	-	-	-	-	-	53.67	53.67	53.67
Lease liabilities	492.54	216.21	708.76	-	-	-	-	-	-	-	-	-	-	708.76	708.76	708.76
Other Financial Liabilities	-	335.25	335.25	-	-	-	-	-	-	-	-	-	-	335.25	335.25	335.25
Total	492.54	1,655.13	2,147.67	-	-	-	-	-	-	-	-	-	-	2,147.67	2,147.67	2,147.67

Financial Assets and Liabilities as at 31 March 2023	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	70.29	70.29	-	-	70.29	70.29	-	-	-	-	-	-	-	-	70.29
Other Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Investment in LLP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	1,492.07	1,492.07	-	-	-	-	-	-	-	-	-	-	1,492.07	1,492.07	1,492.07
Loans and Advances	895.95	447.71	1,343.66	-	-	-	-	-	-	-	-	-	-	1,343.66	1,343.66	1,343.66
Cash and Cash equivalents	-	13.33	13.33	-	-	-	-	-	-	-	-	-	-	13.33	13.33	13.33
Other Financial Assets	50.27	2,012.25	2,062.52	-	-	-	-	-	-	-	-	-	-	2,062.52	2,062.52	2,062.52
Total	946.23	4,035.64	4,981.87	-	-	70.29	70.29	-	-	-	-	-	-	4,911.58	4,911.58	4,981.87
Financial Liabilities																
Borrowings	-	3,015.61	3,015.61	-	-	-	-	-	-	-	-	-	-	3,015.61	3,015.61	3,015.61
Trade Payables	-	118.77	118.77	-	-	-	-	-	-	-	-	-	-	118.77	118.77	118.77
Lease liabilities	317.49	118.77	436.27	-	-	-	-	-	-	-	-	-	-	436.27	436.27	436.27
Other Financial Liabilities	-	1,168.90	1,168.90	-	-	-	-	-	-	-	-	-	-	1,168.90	1,168.90	1,168.90
Total	317.49	4,422.06	4,739.56	-	-	-	-	-	-	-	-	-	-	4,739.56	4,739.56	4,739.56

* All Investments are disclosed except for Investments in Equity Instruments of subsidiaries held at cost (FY 23-24 Rs.4,049.26 Lakhs, FY 22-23 Rs.4049.26 Lakhs)

B. Measurement of fair value

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

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

C. Fair Value Hierarchy

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

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

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

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits etc were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Centrum Wealth Limited

Note No 40: Notes to the Financial Statements for the Year ended 31 March 2024

Nature of Relationship	Name of Party
Holding Company	Centrum Retail Services Limited
Ultimate Holding Company	Centrum Capital Limited
MD & CEO	Mr. Sandeep Das
Chief Financial Officer	Mr. Mayank Jalan
Company Secretary	Ms. Snehal Saboo
Non-Executive Director	Mr. Rajesh Srivastava
Non-Executive Director	Mr. Sriram Venkatasubramanian
Non-Executive Director	Mr. Steven Pinto
Independent Director	Mr. Subhash Kutte
Independent Director	Mr. R A Sankaranarayanan
Independent Director (Resigned w.e.f August 07, 2023)	Mr. Ghulam Mohammed Ghouse
Wholly-owned Subsidiary	Centrum Investment Advisors Limited
Fellow Subsidiary	Modulus Alternatives Investment Managers Limited
Fellow Subsidiary	Centrum Financial Services Limited
Fellow Subsidiary	Centrum Broking Limited
Fellow Subsidiary	Unity Small Finance Bank Limited
Fellow Subsidiary	Centrum Insurance Brokers Limited
Fellow Subsidiary (ceased to be a subsidiary w.e.f November 17, 2023)	Centrum International Services Pte Ltd
Promoter Group Entity of Ultimate Holding Company	JBCG Advisory Services Private Limited
Entity where Director of Ultimate Holding Company is a Director	PPFAS Assets Management Private Limited
Entity in which Director of Ultimate Holding Company has significant influence	Centrum Fiscal Private Limited
Entity in which Director of Ultimate Holding Company has significant influence	Club 7 Holidays Limited
Entity in which Director of Ultimate Holding Company has significant influence	Western Habitat
Private Company in which Director is interested	Prowess Advisors Private Limited
LLP in which Director of Holding Company is a Designated Partner	Centrum REMA LLP
Promoter Group Entity of Ultimate Holding Company till Dec 01, 2023	BG Advisory Services LLP
Promoter of Ultimate Holding Company	Businessmatch Services (India) Pvt Ltd
Entity in which Director of Ultimate Holding Company has significant influence	Acapella Foods & Restaurants Private Limited

Name of the related party	Description	Transaction during Year Ended 31-03-2024	Receivable / (Payable) As at 31-03-2024	Transaction during Year Ended 31-03-2023	Receivable / (Payable) As at 31-03-2023
Centrum Capital Limited	Inter-Corporate Deposits Taken	2,07,20,00,000	-	-	-
	Inter-Corporate Deposits repaid	1,99,05,00,000	-	-	-
	Brokerage, Commission & Other Income	49,36,702	-	3,03,425	-
	Miscellaneous Income-Expenses Reimbursement	1,25,000	-	75,000	-
	Brokerage - Expenses	7,49,793	-	34,17,434	-
	Marketing and Branding Expenses	10,00,000	-	10,00,000	-
	Interest Expenses	64,42,104	-	-	-
	Investment in CCL's MLD	-	-	1,19,49,59,160	-
	MLD Proceed on Redemption	69,39,500	-	1,24,35,95,830	-
	Loan Payable	-	(8,15,00,000)	-	-
	Sundry Debtors	-	1,05,933	-	-
	Sundry Creditors	-	-	-	-
Centrum Retail Services Limited	Inter-Corporate Deposits Taken	2,27,40,00,000	-	6,09,85,00,000	-
	Inter-Corporate Deposits repaid	2,38,90,00,000	-	6,12,50,00,000	-
	Inter-Corporate Deposits Given	-	-	32,00,00,000	-
	Inter-Corporate Deposits Taken Back	-	-	32,00,00,000	-
	Business Support Services - Expenses	4,75,00,000	-	4,75,00,001	-
	Electricity - Expenses	20,28,464	-	20,68,749	-
	Telephone and Leased Line - Expenses	2,60,006	-	3,47,494	-
	Rent - Expenses	1,78,41,033	-	1,42,89,004	-
	Interest - Expenses	93,97,595	-	60,62,959	-
	Interest - Income	-	-	99,726	-
	Expenses Reimbursement	31,968	-	1,60,001	-
	Brokerage, Commission & Other Income	17,50,000	-	25,03,193	-
	Miscellaneous Income- Rent Reimbursement	60,000	-	60,000	-
	Sale of Fixed Assets	1,27,786	-	-	-
	Investment in CRSL NCD's/MLD's	1,38,21,91,188	-	2,00,31,32,880	-
	MLD Proceed on Redemption	15,94,54,400	-	74,23,22,960	-
Purchase of CIAL Shares	-	-	37,68,74,680	-	
Loan Payable	-	-	-	(11,50,00,000)	
Sundry Debtors	-	-	-	6,25,107	
Sundry Creditors	-	(1,62,689)	-	(1,70,711)	
Share Warrants	-	(10,00,000)	-	(10,00,000)	
Unity Small Finance Bank Limited	Brokerage, Commission-Income	4,40,88,554	-	12,46,523	-
	Reimbursement- Income	-	-	8,40,331	-
	Expenses Reimbursement	65,053	-	-	-
	MLD Proceed on Redemption	-	-	2,91,33,96,552	-
	Sundry Debtors	-	2,68,985	-	12,46,523

Centrum Wealth Limited

Note No 40: Notes to the Financial Statements for the Year ended 31 March 2024

Centrum Broking Limited	Inter-Corporate Deposits Given	1,75,00,000	-	2,73,00,00,000	-
	Inter-Corporate Deposits Taken Back	1,75,00,000	-	2,73,00,00,000	-
	Brokerage, Commission & Other Income	12,13,43,802	-	12,13,64,293	-
	Brokerage Income - Equity Business Associate	2,16,37,845	-	2,00,83,019	-
	Referral Commission- Income	-	-	16,65,289	-
	Interest - Income	6,694	-	10,47,124	-
	Miscellaneous Income-Expenses Reimbursement	1,10,000	-	65,000	-
	Sale of Fixed Assets	88,037	-	-	-
	Purchase of Fixed Assets	21,193	-	-	-
	Professional Fee- Expenses	-	-	46,52,199	-
	Referral Commission - Expenses	1,38,60,168	-	87,71,248	-
	Trading Account Expenses	74,271	-	45,807	-
	Membership & Subscription expenses	5,75,455	-	4,56,367	-
	Other Office Expenses	-	-	2,34,015	-
Sundry Debtors	-	5,34,42,858	-	5,29,76,231	
Sundry Creditors	-	(6,38,428)	-	(16,34,748)	
Margin Account Balance	-	(131)	-	35,548	
Centrum Financial Services Limited	Investment in CFSL NCD's/MLD's	1,63,33,42,533	-	-	-
Modulus Alternatives Investment Managers Limited	Brokerage & Commission - Income	5,33,68,316	-	(3,51,451)	-
	Sale of Fixed Assets	71,000	-	-	-
	Sundry Debtors	-	23,71,597	-	-
Centrum Capital Advisors Limited	Brokerage & Commission - Income	-	-	28,87,500	-
	Investment in NCD's	12,97,60,000	-	41,03,61,823	-
	Sundry Debtors	-	-	-	10,090
Centrum Investment Advisors Limited	Inter-Corporate Deposits Taken	2,35,00,000	-	-	-
	Referral Commission - Income	8,69,85,565	-	9,29,16,906	-
	Miscellaneous Income-Expenses Reimbursement	1,04,520	-	1,83,600	-
	Sale of Fixed Assets	1,53,460	-	-	-
	Interest Expenses	8,989	-	-	-
	Loan Payable	-	(2,35,00,000)	-	-
	Investment in Equity Shares	-	40,49,26,210	-	40,49,26,210
JBCG Advisory Services Private Limited	Brokerage & Commission - Income	57,21,000	-	38,70,000	-
	Sundry Debtors	-	18,64,500	-	20,67,900
Centrum International Services Pte Ltd	Professional Fee	2,19,08,766	-	2,48,29,106	-
	Sundry Creditors	-	-	-	-
Club 7 Holidays Limited	Travelling Expenses	1,65,21,524	-	-	-
	Sundry Creditors	-	-	-	-
PPFAS Assets Managment Private Limited	Brokerage & Commission - Income	31,77,610	-	29,77,793	-
Acapella Foods & Restaurants Private Limited	Other Office Expenses	34,13,201	(2,56,286)	30,11,506	-
Western Habitat	Brokerage & Commission - Income	18,86,250	-	25,15,000	-
	Sundry Debtors	-	22,72,713	-	1,91,251
Centrum Insurance Brokers Limited	Miscellaneous Income-Expenses Reimbursement	17,420	-	22,100	-
	Purchase of Fixed Asset	3,575	-	-	-
Centrum Fiscal Private Limited	Business Support Services - Expenses	15,000	-	60,000	-
BG Advisory Services LLP	Brokerage & Commission - Income	-	-	4,37,500	4,94,375
Centrum REMA LLP	Purchase of Fixed Assets	-	-	3,200	-
Prowess Advisors Private Limited	Sale of Acorn Shares	-	-	1	-
Businessmatch Services (India) Pvt Ltd	Brokerage & Commission - Income	-	-	1,41,62,500	-
Key Managerial Personnel	Salaries and other employee benefits to KMP's	5,39,55,763	-	6,26,93,525	-
Asha Marie Pinto	Down Sell of MLD's/NCD's	15,09,751	-	-	-
Basant Seth	Down Sell of MLD's/NCD's	12,08,257	-	-	-
Hemlata Kapil Bagla	Down Sell of MLD's/NCD's	10,11,171	-	-	-
Directors					
Mr. Subhash Kutte	Director Sitting Fees	4,50,000	-	6,00,000	-
Mr. Subhash Kutte	Reimbursement Expenses	-	-	54,868	-
Mr.Rajesh Srivastava	Director Sitting Fees	3,60,000	-	6,00,000	-
Mr.R A Sankaranarayanan	Director Sitting Fees	4,20,000	-	-	-
Mr.Ghulam Ghouse	Director Sitting Fees	1,20,000	-	-	-
Mr.Steven Pinto	Director Sitting Fees	90,000	-	5,70,000	-

41. Segment Information

The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions. The Company is engaged mainly in distribution of Mutual Funds, Insurance policies, trading of securities and distribution of other financial products. The Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Company has two reporting segments; viz Broking and Business support services and Securities trading .

Broking and Business support services : This segment includes distribution of various financial products including Mutual funds, Insurance policies, alternative investments and referral services.

Securities Trading : This segment includes trading in Unlisted shares, debentures and other securities.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. The Company's operations are primarily in India, accordingly there is no reportable secondary geographical segment.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments.

Particulars	(Rs. In Lakhs)	
	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Segment Revenue		
a. Brokerage, Commission and Business support services	12,167.54	17,604.48
b. Securities Trading	668.60	1,281.38
Less: Inter Segment Revenue		
Add: Unallocated		
Total revenue from operations	12,836.14	18,885.86
Identifiable Operating expenses		
a. Brokerage & Commission	853.69	974.60
b. Securities Trading		
Total segment operating expenses	853.69	974.60
i. Unallocated expenses	11,814.66	11,847.93
ii. Other Income	300.68	176.66
iii. Finance cost	330.12	127.75
Profit/(Loss) before tax	138.34	6,112.23

Segment wise disclosure for revenues received as Insurance intermediation and other income from Insurers as per regulation 31 (2) of the Insurance regulatory and development authority of India (Registration of corporate agents) Regulations, 2011:

Particulars	(Rs. In Lakhs)	
	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Brokerage earned from selling of Insurance policies		
Bajaj Allianz Life Insurance Company	80.19	44.66
Bharti Axa Life Insurance Company	214.47	991.99
HDFC Life Insurance Company Limited	333.50	586.19
Bajaj Allianz General Insurance Company Limited	0.96	1.87
HDFC Ergo General Insurance Company Limited	1.04	0.61
ICICI Lombard General Insurance Company Limited	8.97	9.78
Care Health Insurance Company Limited	35.27	15.50
Max Bupa Health Insurance Company	-	-
Aditya Birla Health Insurance Company	0.02	0.20
Total	674.42	1,650.80

Centrum Wealth Limited
Notes to the Financial Statements for the Year ended 31 March 2024

Note 42: Employee Benefits

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for casual and earned leave.

The compensated absences charge for the year ended March 31, 2024 amounting to Rs. 3.46 lakhs (March 31, 2023 Rs. 5.26 lakhs) has been charged in the Statement of Profit and Loss.

(b) Post employment obligations

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	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Employer's Contribution to Provident Fund	360.31	357.85

Defined benefit plans

Gratuity

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 is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan.

Particulars	(Rs. in lakhs)		
	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2022	626.10	222.22	848.33
Current service cost	80.18		80.18
Interest expense/(income)	45.23	15.20	60.43
Total amount recognised in profit and loss	125.41	15.20	140.61
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income) (Liability Transferred Out/ Divestments)	-	(6.33)	(6.33)
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	38.29		38.29
Actuarial (Gains)/losses on obligations due to change in financial assumptions	-		-
Actuarial (Gains)/losses on obligations due to change in financial assumptions	(20.84)		(20.84)
Actuarial (Gains)/losses on obligations due to experience	72.82		72.82
Total amount recognised in other comprehensive income	90.28	(6.33)	83.95
Employer contributions		129.87	129.87
Benefit payments	(63.39)	(63.39)	(126.79)
As at March 31, 2023	778.40	297.57	1,075.97
Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2023	778.40	297.57	1,075.97
Current service cost	79.97		79.97
Interest expense/(income)	56.96	21.42	78.38
Total amount recognised in profit and loss	136.93	21.42	158.35
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income) (Assets Transferred Out/ Divestments)	-	(18.08)	(18.08)
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	10.09		10.09
Actuarial (Gains)/losses on obligations due to change in financial assumptions	40.62		40.62
Actuarial (Gains)/losses on obligations due to experience	40.88		40.88
Total amount recognised in other comprehensive income	91.59	(36.60)	54.98
Employer contributions		168.53	168.53
Benefit paid	(336.69)	(336.69)	(673.38)
As at March 31, 2024	670.22	114.23	784.46
The net liability disclosed above relates to gratuity are as follows:			
Particulars	31st March, 2024	31st March, 2023	
Fair value of plan assets	114.23	297.57	
Present value of funded obligations	670.22	778.40	
Funded Status Surplus/(Deficit)	(555.99)	(480.83)	
Net (Liability)/Asset Recognized in the Balance Sheet	(555.99)	(480.83)	
Categories of plan assets are as follows:			
Particulars	31st March, 2024	31st March, 2023	
Insurer managed funds	114.23	297.57	
Total	114.23	297.57	-

Significant estimates: Actuarial assumptions and sensitivity						
The significant actuarial assumptions were as follows:						
Particulars	31st March, 2024		31st March, 2023			
Expected Return on Plan Assets	7.19%		7.39%			
Rate of Discounting	7.19%		7.39%			
Rate of Salary Increase	10.00%		8.00%			
Rate of Employee Turnover	12.00%		10.00%			
Mortality Rate during Employment	Indian Assured Lives Mortality (2012-14)		Indian Assured Lives Mortality (2012-14)			
Sensitivity analysis						
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:						
Particulars	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Discount rate	1.00%	1.00%	(33.43)	(34.77)	37.09	38.89
Salary Increase	1.00%	1.00%	16.99	22.86	(16.97)	(22.97)
Employee Turnover	1.00%	1.00%	2.40	3.75	(2.76)	(4.25)
<p>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.</p> <p>The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.</p> <p>Risk exposure</p> <p>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. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.</p> <p>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 the members more than assumed level will increase the plan's liability.</p> <p>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.</p> <p>Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.</p> <p>Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.</p> <p>Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.</p> <p>Employer expected contributions</p> <p>Expected contributions to post-employment benefit plans for the year ending March 31, 2024 are Rs. 2,38,73,751/- year ending March 31, 2023 are Rs 2,50,46,763/-.</p> <p>The weighted average duration of the defined benefit obligation is 15 years (March 31, 2023 – 15 years). The expected maturity analysis of undiscounted gratuity is as follows:</p>						
Particulars	Less than a year	Between 2-5 years	Over 5 years	Total		
March 31, 2024						
Defined benefit obligation (gratuity)	89.27	306.87	665.51	1,061.65		
March 31, 2023						
Defined benefit obligation (gratuity)	191.16	300.73	728.85	1,220.74		

Centrum Wealth Limited
Notes to the Financial Statements for the Year ended 31 March 2024

Note 43: Employee Share based Payment

The Company provides share-based payment to its employees. The Company has one employee Stock Option Scheme i.e.CWL ESOP 2023.

CWL ESOP 2023

The Scheme was approved by the Shareholders on December 14, 2023 for grant of stock options and below are the vesting requirements

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	25 (Twenty Five)% of total options granted
2	At the end of Year 2 from the Grant date	25 (Twenty Five)% of total options granted
3	At the end of Year 3 from the Grant date	25 (Twenty Five)% of total options granted
4	At the end of Year 4 from the Grant date	25 (Twenty Five)% of total options granted

The details of activity under this scheme (Face value of ₹ 10 each) are summarized below:

Particulars	Number of options for year ended	
	March 31, 2024	March 31, 2023
Scheme 2023 : Face value of Rs. 10 each		
Exercise price	Refer Note A below	-
Options outstanding as at beginning of the year	-	-
Add: Granted	2,99,500	-
Less: Exercised	-	-
Less: Forfeited	10,000	-
Less: Expired	-	-
Option outstanding end of the year	2,89,500	-
Exercisable at the end of the year	-	-

Note A: Details of the ESOP Plan are as below

Particulars	Scheme 2023
Exercise price/Pricing formula	The Exercise Price for the Options granted shall be Rs.10 per share
Total number of stock options approved	2,99,500
Maximum term of stock options granted	5 years
Source of shares (primary, secondary or combination)	Primary
Date of Grant	18-12-2023
Total number of Options granted	2,99,500
Method of settlement	Equity
Total Number of Granted but not vested	Nil
Vested but not exercised	Nil
Exercise period	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA

Details of Options granted:

The Fair Value of the Options at the grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plan

Particulars	Scheme 2023
Grant Date	December 18, 2023
Number of Options granted	2,99,500
Number of Options forfeited/Cancelled	10,000
Number of Options granted (net)	2,89,500
Range of Risk free interest rate	7.11% - 7.22%
Expected volatility	14.56% to 19.41%
Expected Life of Options	3-6 Years
Exercise price (Rs.)	10
Fair value of option (Rs.)	Rs. 492.27 - 493.86
No. of years vesting	As per Vesting Schedule described above

Vesting of options is subject to continued employment during the vesting period.

Centrum Wealth Limited
Notes to the Financial Statements for the Year ended 31 March 2024

Employee Share Appreciation Rights Plan

During the year the board of the Company had approved SAR Plan on 27th October 2023.
 Details of SARs granted are as follows

Particulars	Year Ended 31st March 2024	
	SAR-I	SAR-II
Date of Grant		
Fair Value at Grant Date		
Total Number of Rights Approved under the scheme	5,00,000	10,00,000.00
Number of Rights Issued	1,28,000	5,00,000.00
Exercise Price	Rs. 300 per SAR	- Rs. 500 per SAR
Vesting requirement	As decided by the Board / Committee from time to time	As decided by the Board / Committee from time to time
Date of Vesting	20% in May 2025 35% in May 2026 45% in May 2027	20% in May 2025 35% in May 2026 45% in May 2027
SAR Settlement Price	20% discount to the fully diluted price	20% discount to the fully diluted price
Method Of Settlement	Cash	Cash

The Fair Value of the SARs as on measurement date (31st March 2024) is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the SAR. The following tables list the inputs used for fair valuation of options for the SAR Plan

Particulars	Year Ended 31st March 2024	
	SAR-I	SAR-II
Number of SARs granted	1,28,000	5,00,000
Range of Risk free interest rate	7.07% - 7.11%	7.07% - 7.11%
Expected volatility	10.85% - 14.57%	10.85% - 14.57%
Expected Life of Options	1.42 - 3.42 Years	1.42 - 3.42 Years
Exercise price (Rs.)	300	500
Fair value of option (Rs.)	Rs. 128.91 - Rs. 165.43	Rs. 5.05 - Rs. 46.39

Other Information regarding employee share based payments is below:

Particulars	For the year Ended	
	31-Mar-24	31-Mar-23
Expense Arising from Equity-settled share plans	207.94	-
Expense Arising from Cash- Settled share plans	35.34	-
Total expense arising from share-based payment transactions recognized in Statement of Profit and Loss	243.28	-

44. Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company

The Company does not have any Immovable properties.

(ii) Fair Value of Investment Property

The Company does not have any Investment Property.

(iii) Revaluation of Property, plant and equipment

The Company has not revalued its property, plant and equipment and intangible assets during the current or previous

(iv) Loans or Advances in the nature of loans to Directors, KMPs, Promoters and related parties

The Company has not granted any Loans and Advances in the nature of loans to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms of repayment.

(v) Details of Benami Property held

There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) Borrowings against current assets

During the year, no borrowings were taken / or outstanding against any current assets.

(vii) Wilful Defaulter

The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

(viii) Relationship with Struck off Companies

Company does not have any transaction with Companies that have been struck off under section 248 or section 560 of the Companies Act.

(ix) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges pending to be registered with the Registrar of Companies.

(x) Compliance with number of layer of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(xi) Utilisation of Borrowed funds and share premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45. Additional Information

(i) Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

(ii) Details of Crypto Currency or Virtual Currency

Company has not made traded in Crypto currency or Virtual Currency.

(iii) Corporate Social Responsibility (CSR)

The Company is covered under the provisions of section 135 of the Companies Act, 2013. Details are disclosed in Note 27.2.

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

47. The financials statements have been approved for issue by the Company's Board of Directors on April 26, 2024.

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

Chartered Accountants

For A.T. Jain & Co.

ICAI Firm registration number: 103886W

**For and on behalf of the Board of Directors of
Centrum Wealth Limited**

**Sushil T. Jain
Partner
Membership No.: 033809**

**Sandeep Das
Managing Director & CEO
DIN:02889521**

**Sriram Venkatasubramanian
Non Executive Director
DIN:00169087**

**Place: Mumbai
Date : 26 April, 2024**

**Mayank Jalan
Chief Financial Officer**

**Snehal Saboo
Company Secretary**

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF CENTRUM WEALTH LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Centrum Wealth Limited** (“the Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as the ‘Group’), which comprises the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as “Consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidated state of affairs of the Group as at March 31, 2024, its consolidated profit (including other consolidated comprehensive income), consolidated changes in equity and its consolidated 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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 Consolidated 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 Consolidated Ind AS financial statements.

Emphasis of Matter – Restriction on Distribution and Use

We draw attention to Note 1.1 to the consolidated financial statements which describes that the consolidated financial statements are prepared only for the presentation before the Board of Directors of the holding company. As a result, the consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the company and should not be

distributed to or used by parties other than the company. Our opinion is not modified in respect of this matter.

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

The Holding company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group 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 Group 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 Consolidated 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 Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 financial controls 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 entity's internal 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 Group'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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors, 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.

Other Matters

We did not audit the financial statements of subsidiary company whose financial statements reflect total assets of Rs. 772.08 lakhs as at 31st March, 2024, total revenues of Rs. 1,819.24 lakhs and net cash flows amounting to Rs. 178.26 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditor.

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

Sushil T Jain
Partner
Membership No. 033809

UDIN: 24033809BKARXJ6200
Place: Mumbai
Date: 26.04.2024

Centrum Wealth Limited
Consolidated Balance Sheet as at 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at	
		31-Mar-24	31-Mar-23
ASSETS			
Non-current assets			
Property, plant & equipment	2	187.42	171.76
Other Intangible assets	3	609.23	542.30
Intangible assets under development	3	23.00	154.30
Right of use of assets	4	689.51	421.58
Financial assets			
(i) Investments	5	-	-
(ii) Loans and Advances	6	-	895.95
(iii) Other financial assets	7	42.18	50.27
Deferred tax assets (net)	8	539.35	243.25
Other Non-Current Assets	9	823.58	838.12
		<u>2,914.27</u>	<u>3,317.53</u>
Current assets			
Financial assets			
(i) Investments	5	-	70.29
(ii) Trade receivables	10	1,314.59	1,497.27
(iii) Cash and cash equivalents	11	244.32	66.06
(iv) Bank balances other than cash and cash equivalents	12	-	2,091.34
(iv) Loans and Advances	6	1,043.66	697.71
(v) Other financial assets	7	19.74	12.25
Other current assets	12	1,105.63	1,424.81
		<u>3,727.94</u>	<u>5,859.73</u>
Total		<u>6,642.21</u>	<u>9,177.26</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,000.00	2,000.00
Other equity	14	1,143.63	878.68
		<u>3,143.63</u>	<u>2,878.68</u>
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	16	492.54	317.49
Provisions	18	473.53	398.72
		<u>966.07</u>	<u>716.21</u>
Current liabilities			
Financial liabilities			
(i) Borrowings	15	815.00	3,015.61
(ia) Lease Liabilities	16	216.21	101.31
(ii) Trade Payables			
(a) total Outstanding dues of Micro Enterprises and Small Enterprises	19		
(b) total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		54.00	119.39
(iii) Other financial liabilities	17	340.29	456.12
Provisions	18	622.16	1,200.74
Other current liabilities	20	484.84	480.80
Current Tax Liabilities (Net)	21	-	208.41
		<u>2,532.51</u>	<u>5,582.38</u>
Total		<u>6,642.21</u>	<u>9,177.26</u>

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-Mar-24	Year ended 31-Mar-23
INCOME			
Revenue from operations	22	13,750.15	20,078.83
Other Income	23	334.92	188.49
Total Income		14,085.07	20,267.32
EXPENSES			
Employee benefit expenses	24	9,247.08	9,716.96
Finance costs	26	330.08	128.66
Depreciation and amortisation expense	25	349.71	206.28
Other expenses	27	4,000.31	4,076.35
Total expenses		13,927.18	14,128.25
Profit/(Loss) before tax		157.90	6,139.08
Income tax expense			
- Current tax		226.43	1,361.65
- Tax expenses/(credit) relating to earlier years		57.13	73.52
- Deferred tax		(267.55)	76.62
Profit/(Loss) for the Year - A		141.89	4,627.29
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of post employment benefit obligation		(113.42)	(53.29)
II. Income Tax relating to above items		28.55	13.41
Other comprehensive income for the year- B		(84.87)	(39.88)
Total comprehensive income for the year (A+B)		57.02	4,587.41
Profit / (Loss) for the year attributable to:			
Owners of the Company		141.89	4,611.77
Non-Controlling Interest		-	15.52
Other Comprehensive Income for the year attributable to:		(84.87)	(39.88)
Owners of the Company		(84.87)	(41.72)
Non-Controlling Interest		-	1.84
Total Comprehensive Income for the year attributable to:		57.02	4,587.41
Owners of the Company		57.02	4,570.05
Non-Controlling Interest		-	17.36
Earning per Equity Share (in INR)			
Basic		0.71	23.14
Diluted		0.71	23.14

The accompanying notes are an integral part of these financial statements
As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	157.90	6,139.08
Adjustments for :		
Interest expenses on borrowings measured at amortised cost	216.06	66.68
Interest on lease liability	57.39	29.64
Depreciation and amortization	349.71	206.28
Loss on Write off of Property Plant and Equipment	1.12	7.35
Interest Income from financial assets at amortised cost	(258.59)	(235.27)
Unwinding of Interest on Security Deposits	(6.35)	(4.86)
Unrealised Foreign Exchange Loss / (Gain)	-	(0.91)
Changes in Fair Value of Investments held for trading	0.87	(0.87)
Changes in Fair Value of Investments at fair value through profit and loss	-	80.99
Allowances for Doubtful debts	58.16	334.36
Refund Liabilities	(5.00)	-
Allowance for loans and Security deposits	483.90	11.15
Modification Gain / (Loss)	(6.44)	(5.11)
Operating Profit/ (loss) before working capital changes	1,048.73	6,628.52
Movement in working capital:		
Decrease/(Increase) in Trade receivable	129.00	14.56
Decrease/ (Increase) in Financial instruments held for trading	69.41	(69.41)
Decrease/(Increase) in Other financial assets	(140.83)	290.24
Decrease/(Increase) in Other assets	341.85	(20.29)
Increase/(Decrease) Provisions	(406.26)	(848.22)
Increase/(Decrease) Trade Payable & Other financial liabilities	(172.45)	99.36
Increase/(Decrease) other liabilities	4.07	(168.76)
Net cash generated/ (used) in Operations	873.51	5,925.99
Taxes paid Net of Refund	(370.25)	(820.03)
Net cash generated / (used) in Operating Activities (A)	503.26	5,105.97
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(84.14)	(170.62)
Purchase of Intangible assets	(36.05)	(106.29)
Sale/(Purchase) of current investments - Net	-	0.32
Loans and advances given	(1.75)	(30,500.00)
Collection from loans and advances	16.75	30,250.00
(Investment) in / Redemption of Fixed Deposits	2,091.34	(2,091.34)
Interest Received	83.49	44.68
Net cash generated / (used) in Investing Activities (B)	2,069.64	(2,573.23)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment to acquire non controlling interest in subsidiary	-	(3,768.75)
Proceeds from short-term borrowings	43,695.00	62,850.61
Repayment of short-term borrowings	(45,664.02)	(61,650.00)
Repayment of lease liabilities	(152.17)	(68.96)
Interest paid	(273.45)	(96.32)
Net cash generated / (used) from Financing Activities (C)	(2,394.63)	(2,733.41)
Net increase/ (decrease) in Cash and Cash equivalents (A+B+C)	178.26	(200.68)
As at the beginning of the year	66.06	266.74
Closing cash and cash equivalents	244.32	66.06
As at the end of the year		
Cash in hand	1.54	1.31
Balance with scheduled banks-Current accounts	242.78	64.75
Closing cash and cash equivalents	244.32	66.06

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

The accompanying notes are an integral part of these financial statements
As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited
Consolidated Statement of changes in equity for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	31-Mar-24	31-Mar-23
Balance at the beginning of the reporting year	2,000.00	2,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	2,000.00	2,000.00
Changes in equity share capital during the year	-	-
Balance at the end of the current reporting year	2,000.00	2,000.00

B. Other Equity

As on 31st March, 2024

Particulars	Reserves and Surplus				Money received against share warrants	Non Controlling Interest	Total
	Securities Premium	Retained Earnings	Non Controlling Interest Reserve	Share Options outstanding			
Balance at the beginning of the year	1,535.73	(360.78)	(306.27)	-	10.00	-	878.68
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,535.73	(360.78)	(306.27)	-	10.00	-	878.68
Employee Stock Option Expense	-	-	-	207.94	-	-	207.94
Total Comprehensive Income for the year	-	141.89	-	-	-	-	141.89
Other Comprehensive Income / (loss) net of Tax	-	(84.87)	-	-	-	-	(84.87)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-
Balance at the end of the year	1,535.73	(303.76)	(306.27)	207.94	10.00	-	1,143.63

As on 31 March 2023

Particulars	Reserves and Surplus				Money received against share warrants	Non Controlling Interest	Total
	Securities Premium	Retained Earnings	Non Controlling Interest Reserve (Refer Note below)	Share Options outstanding			
Balance at the beginning of the year	1,535.73	(4,930.83)	3,301.19	-	10.00	143.93	60.01
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,535.73	(4,930.83)	3,301.19	-	10.00	143.93	60.01
Total Comprehensive Income for the year	-	4,611.77	-	-	-	15.52	4,627.29
Other Comprehensive Income / (loss) net of Tax	-	(41.72)	-	-	-	1.84	(39.88)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Share of Non-controlling interest (Refer Note below)	-	-	(3,607.46)	-	-	(161.29)	(3,768.75)
Balance at the end of the year	1,535.73	(360.78)	(306.27)	-	10.00	-	878.68

Note : The acquisition or disposal of ownership interest in a subsidiary company without a change in control is accounted for as an equity transaction in accordance with Ind AS 110. Any excess or deficit of consideration paid or received over the carrying amount of the non-controlling interests is recognised in the equity of the parent in transactions where the non-controlling interests are acquired or sold without loss of control. During the previous year ended 31st March, 2023, the company had acquired the whole of non-controlling interests of 49% from its holding company, increasing its ownership to 100% in its subsidiary Centrum Investment Advisors Limited. Cash consideration of Rs. 3,768.75 lakhs was paid to the non-controlling shareholders. The carrying value of the non-controlling interest on the date of acquisition was Rs. 161.29 lakhs. The difference of Rs. 3,607.46 lakhs paid over consideration of Rs. 3,768.75 lakhs is recognised as non-controlling reserve in accordance with Ind AS 110.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For A. T. JAIN & CO.
Chartered Accountants
ICAI Firm registration number: 103886W

For and on behalf of the Board of Directors of
Centrum Wealth Limited

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Whole Time Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Corporate Information

Centrum Wealth Limited ('Company') is a Public Group incorporated and domiciled in India. The Group is registered with AMFI as Mutual fund distributor and as an Investment Advisor under SEBI. It is also registered as a Corporate Agent (Composite) with Insurance Regulatory and Development Authority of India (IRDAI). The Group is engaged in the business of Wealth Management of its clients and offers a comprehensive suite of financial products including Mutual Funds to suit client objectives and risk- return profiles based on time tested principles of Asset allocation and diversification. Asset classes offered include Equity, Insurance, Fixed Income and Debt offerings, Real Estate and Alternative Assets. The Group also deals in securities. The Group's registered office is in Mumbai, Maharashtra, India.

The Group is a subsidiary Company of Centrum Retail Services Limited (CRSL) which holds 1,46,09,780 shares aggregating to 73.05% of shareholding.

1.0 Accounting policies

1.1 Basis of Preparation of Consolidated Ind AS Financial Statements

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

- certain financial instruments (including Derivative Instruments) which are measured at fair value and
- defined benefit plan – plan assets measured at fair value.
- Share Based Payments – Fair Value

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

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

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakh, except otherwise indicated.

The Consolidated Financial Statements are prepared only for the presentation before the Board of Directors of the Company.

1.2 Presentation of financial statements

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

1.3 Basis of Consolidation

The Consolidated Financial Statements as on March 31, 2024, comprise the financial statements of the Group and its subsidiary as at March 31, 2024. Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Consolidation of subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

the year are included in the Consolidated Ind AS financial statements from the date the Group gains the control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on March, 31.

Consolidation Procedure:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full).

Profit or loss and each component of OCI are attributed to the equity holders of the Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interest in the profit/loss and equity of the subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and the Consolidated Balance sheet, respectively. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. This results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Business Combination:

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group. Group has accounted all such transactions based on pooling of interest method, which is as below:-

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve.

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.4 Current/ Non-current classification:

An asset is classified as current if:

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

All other assets are classified as non-current.

A liability is classified as current if:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group's normal operating cycle is twelve months.

1.5 Property, plant and equipment

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

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

Property, plant and equipment are derecognised from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss in the year of occurrence.

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

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 or on the basis of useful lives of the assets as estimated by management, whichever is lower.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on Additions to Assets or where any asset has been sold or discarded, is calculated on a Pro-rata basis from the date of such additions or up to the date of such sale or discard as the case may be. Leasehold improvements are amortized over a period of lease or useful life whichever is less. Useful Life of the assets is tabulated below:

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Nature of Assets	Estimated useful life
Computers- End Users such as Desktops, Laptops, etc	3 years
Computers- Servers and Networks	6 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Electric Installation and Equipments	10 years
Motor Cars	8 years
Leasehold Improvements	Over the Lease period of the property

Intangible assets

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

Acquired intangible assets are initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

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

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

Intangible assets are amortised over their estimated useful life of 10 years

Subsequent expenditure

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

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

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

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Intangible assets under development

The cost of computer software not ready to use before year end are disclosed under Intangible Assets under Development are carried at cost, comprising direct cost and related incidental expenses. They are transferred to Intangible assets once those assets are ready to use.

1.6 Borrowing cost

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

1.7 Impairment of property, plant and equipment and intangible assets

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

1.8 Revenue recognition

Revenue is measured at transaction price (net of variable consideration) based on the consideration received or receivable. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

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

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

Brokerage and commission income

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers. Revenue, where there is no uncertainty as to measurement or collectability of consideration but invoicing has not been completed are recognised as unbilled revenues.

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Business support services

Revenue is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers.

Revenue from Investment Advisory services

Revenue related to Investment Advisory services is recognised at point in time when performance obligation is satisfied as per the contractual terms with the customers.

Refund Liabilities:

Revenue from brokerage is recognised as per the rate specified in the contract and revenue is only recognised when it is highly probable that a significant reversal will not occur. Refund liability (included in other current liabilities) is recognised for expected amount of clawback in relation to the upfront income received. Accumulated experience is used to estimate claw back amount as per the expected value method.

Income from trading in securities

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

Income from Derivative instruments

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

Interest income

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

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

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

Profit and Loss of Sale of Investments

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

Dividend Income

Dividend Income is recognized when the right to receive payment is established.

Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.9 Employee benefits

Short term obligations

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

Termination benefits

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

Defined contribution plans

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

Defined benefit plans

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

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

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

Long-term employee benefits:

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

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

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

Centrum Wealth Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.10 Taxation

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

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

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

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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Current and deferred tax for the year

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.

Minimum alternate tax (MAT)

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

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Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.11 Financial instruments

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

A. Financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Companies classify its debt instruments:

Classification, recognition and measurement

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

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

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

Measurement:

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

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

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

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

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

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

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

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

Equity Instruments

Equity instruments is a contract that evidences residual interest in the assets of the Group after deducting all its liabilities. The Group subsequently measures all equity investments, other than investments in subsidiaries, associates and joint ventures, under the scope of Ind AS 109 at fair value. Changes in the fair value of these instruments are recognized in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

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

For assets measured at fair value, gains and losses will either be 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 Group 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	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

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		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	<p>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.</p> <p>Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method.</p> <p>On de-recognition of the financial assets measured 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.</p>
	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	<p>Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises.</p> <p>Interest income from these financial assets is included in the Interest income.</p>

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Equity instruments	FVOCI	The Group's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	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. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in 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.

Investments in subsidiaries, associates and joint ventures

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

(i) Impairment:

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The method and significant judgements used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in Note 33.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;

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

(ii) Derecognition of financial assets:

A financial asset is derecognised only when

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

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

Where the entity 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 Group has not retained control of the financial asset.

Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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

Write-off policy

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

(i) Financial liabilities and equity instruments :

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

Classification, recognition and measurement:

(a) Equity Instruments:

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

(b) Financial liabilities:

Initial recognition and measurement:

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

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

Subsequent measurement:

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

- at amortised cost

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Notes to the Consolidated Financial Statements for the year ended March 31, 2024

- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The Group is classifying the following under amortised cost;

- Borrowings
- Trade and other payables

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

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

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

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

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

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

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

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

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

Derecognition:

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

Derivative financial Instruments:

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

Reclassification of financial instrument

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Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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

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

(ii) 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 realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

1.12 Provisions and Contingencies

Provisions are recognised when the Group 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The increase in the provision due to the passage of time is recognised as interest expense.

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

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, 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.

1.13 Cash and cash equivalent:

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

Trade Receivables:

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

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

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Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.14 Earnings per share:

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

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued in the conversion of all dilutive potential equity shares into equity shares.

1.15 Foreign Currency Transactions: Functional currency

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

Transactions and translations

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

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

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

1.16 Lease

As a lessee

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

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

- (1) the contract involves the use of an identified asset
- (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Group has the right to direct the use of the asset.

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

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

Transition

Effective 1st April , 2019, the Group has adopted Ind AS 116, "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

1.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Group. The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Group in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Group, and make strategic decisions.

1.18 Employee Stock Option Plan

Equity-settled share-based payments to employees and others providing similar services that are granted by the Group are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Share Option Outstanding Account' under other Equity. In cases where the share options granted vest in instalments over the vesting period, the Group treats each instalments as a separate grant, because each instalment has a vesting period, and hence the fair value of each instalment differs. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Share Options Outstanding Account is transferred within equity.

1.19 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2023

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Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Significant accounting estimates, judgements and assumptions:

The preparation of the Group'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. 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 next financial years.

In the process of applying the Group'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 needs to be made, when Group assesses, whether an asset may be capitalised and which components of the cost of the assets may be capitalised.
- b. Defined benefit plan:** The costs 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 Group as it is not possible to predict the outcome of pending matters with accuracy.
- e. Impairment of Non-Financial assets:** The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

- f. Impairment of Financial Assets:** The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- g. Revenue:** The application of Accounting Standard on Revenue Recognition is complex and use of key judgments with respect to multiple deliverables, timing of revenue recognition, accounting of discounts, incentives etc. The management has reviewed such accounting treatment and is satisfied about its appropriateness in terms of the relevant IND AS.
- h. Leases:** The Group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. The Group uses judgements in assessing whether a contract (or a part of contract) includes a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether in-substance are fixed. The judgment involves assessment of whether the assets included in the contract is fully or partially identified asset based on the facts and circumstances, whether a contract included a lease and non-lease components and if so, separation thereof for the purposes of recognition and measurement, determination of lease term basis, inter-alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed or variable or a combination of both.
- i. Stock Appreciation Rights:** Compensation costs in respect of stock appreciation rights (SAR) granted during the year have been determined using the Black Scholes option valuation model. The said model requires the Group to input certain assumptions / variables to determine the fair value of the SAR granted. The Group has applied appropriate levels of judgements in determining these assumption / variables basis the information available as at the measurement date, the details of which are more fully described in note 43.

2. PROPERTY, PLANT & EQUIPMENT

Particulars	Leasehold Improvement	Electric installation &	Furniture & fixtures	Vehicles	Office equipment	Computer	Total
Gross Block							
As at 31st March, 2022	33.25	1.54	7.42	-	23.20	151.40	216.81
Additions	59.00	0.02	2.72	-	5.22	100.76	167.72
Disposals / Transfer / Adjustments	(23.07)	(1.52)	(0.18)	-	(2.52)	(9.40)	(36.69)
As at 31st March,2023	69.18	0.04	9.97	-	25.90	242.75	347.84
Additions	61.35	-	0.59	-	5.65	16.55	84.14
Disposals / Transfer / Adjustments	-	-	-	-	-	(7.23)	(7.23)
As at 31st March,2024	130.53	0.04	10.56	-	31.55	252.07	424.75
Accumulated Depreciation							
As at 31st March, 2022	25.04	0.88	2.90	0.00	19.20	126.47	174.49
Depreciation for the year	6.02	0.15	0.85	-	1.89	22.00	30.92
Disposals / Transfer / Adjustments	(17.35)	(1.04)	(0.16)	-	(2.34)	(8.44)	(29.32)
As at 31st March,2023	13.71	-0.00	3.59	0.00	18.76	140.03	176.09
Additions	22.70	-	0.97	-	1.98	38.61	64.27
Disposals / Transfer / Adjustments	-	-	-	-	-	(3.02)	(3.02)
As at 31st March,2024	36.40	-0.00	4.56	0.00	20.74	175.63	237.33
Net Block							
As at 31st March,2024	94.12	0.04	6.00	-0.00	10.81	76.44	187.42
As at 31st March,2023	55.47	0.04	6.38	-0.00	7.14	102.72	171.76

3. OTHER INTANGIBLE ASSETS

Particulars	Computer software	Intangible assets under Development	Total
Gross Block			
As at 31st March, 2022	800.63	95.90	896.53
Additions	50.79	103.35	154.14
Disposals / Transfer / Adjustments	-	44.95	44.95
As at 31st March,2023	851.42	154.30	1,005.72
Additions	167.35	33.00	200.35
Disposals / Transfer / Adjustments	-	(164.30)	(164.30)
As at 31st March,2024	1,018.77	23.00	1,041.77
Accumulated Depreciation			
As at 31st Mar, 2022	224.65	-	224.65
Depreciation for the year	84.47	-	84.47
Disposals / Transfer / Adjustments	-	-	-
As at 31st March,2023	309.12	-	309.12
Additions	100.42	-	100.42
Disposals / Transfer / Adjustments	-	-	-
As at 31st March,2024	409.54	-	409.54
Net Block			
As at 31st March,2024	609.23	23.00	632.23
As at 31st March,2023	542.30	154.30	696.60

Intangible assets under development

(Amount in Rs. Lakhs)

Year ended March 31, 2024	Amount in Intangible assets under development for a				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.00	-	-	-	23.00
Projects temporarily suspended	-	-	-	-	-

Year ended March 31, 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	70.50	82.00	-	-	152.50
Projects temporarily suspended	-	-	-	-	-

4. Right of use of assets

Particulars	Vehicles	Office Premises	Total
Gross Block			
As at 31st March, 2022	17.93	297.32	315.25
Additions	-	453.08	453.08
Disposals / Transfer / Adjustments		(91.63)	(91.63)
As at 31st March,2023	17.93	658.77	676.70
Additions	333.42	178.07	511.49
Disposals / Transfer / Adjustments		(116.95)	(116.95)
As at 31st March,2024	351.35	719.88	1,071.23
Accumulated Depreciation			
As at 31st March, 2022	17.93	187.06	196.77
Depreciation for the year	-	90.91	90.91
Disposals / Transfer / Adjustments		(40.79)	(40.79)
As at 31st March,2023	17.93	237.19	255.12
Additions	53.38	131.73	185.11
Disposals / Transfer / Adjustments		(58.51)	(58.51)
As at 31st March,2024	71.31	310.41	381.72
Net Block			
As at 31st March,2024	280.04	409.47	689.51
As at 31st March,2023	-	421.58	421.58

Note: Group has not revalued any of its Property, Plant and Equipment or Intangible assets during the year

Centrum Wealth Limited

Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

5. INVESTMENT	Subsidiary / Joint	As at	As at
	Venture / Others	31-Mar-24	31-Mar-23
Current		-	-
Quoted	Others	-	70.29
(No of Debentures: NIL, PY(50))		-	-
Investment in Mutual funds	Others	-	-
Investment in Mutual funds	Others	-	-
		-	-
Aggregate Value of Quoted Investments at market value		-	70.29
Aggregate Value of Unquoted Investments		-	-
Aggregate Provision of diminution in value of investments		-	-
		-	-
Non Current		-	-
Investment in Equity Instruments at Cost		-	-
		-	-
Unquoted Fully Paid up Equity shares of Centrum Investment Advisors Limited	Subsidiary	0.00	-
Face Value : Rs. 10/-, No of Shares : 21,13,000 (PY: 21,13,000)		-	-
		-	-
Investment in Equity Instruments at FVTPL		-	-
Quoted	Others	-	-
Unquoted	Others	-	-
		-	-
Investment in Limited Liability Partnerships (LLP) at FVTPL		-	-
Unquoted	Others	125.50	125.50
		-	-
Aggregate Value of Quoted Investments at market value		-	-
Aggregate Value of Unquoted Investments		4,174.76	4,174.76
Aggregate Provision of diminution in value of investments		-	-
		-	-
Total Current		-	70.29
Total Non-Current		125.50	125.50
		-	-
Less: Allowance for Impairment Loss - Current			
Less: Allowance for Impairment Loss - Non-Current		(125.5)	(125.5)
		-	-
Total Net Current Investments		-	70.29
Total Net Non-Current Investments		-	-
		-	-
6. LOANS AND ADVANCES		As at	As at
(Unsecured, considered good unless otherwise stated)		31-Mar-24	31-Mar-23
		-	-
Current		-	-
Loans to Holding Company		-	-
Loans to Parent of Holding Company		-	-
Loans to others - Unsecured		-	-
Loans to fellow subsidiaries		-	250.0
Loans to others - Secured*		-	-
Loans to others - Unsecured		2,186.9	1,003.7
Loans which have significant increase in Credit Risk		-	-
Loans - Credit Impaired		-	-
Less : Loss allowance		(1,143.2)	(556.0)
		-	-
Non current		-	-
Loans to others - Unsecured		-	1,000.2
Loans which have significant increase in Credit Risk		-	-
Loans - Credit Impaired		-	-
Less :Loss allowance		-	(104.2)
		-	-
Total Current		1,043.66	697.71
Total Non-Current		-	895.95

7. OTHER FINANCIAL ASSETS	As at 31-Mar-24	As at 31-Mar-23
Current		
Interest Receivable	-	7.90
Security Deposits	13.67	3.48
Other receivables	7.74	2.50
Less : Loss Allowance	(1.67)	(1.63)
Non current		
Security Deposits	43.38	50.60
Less : Loss Allowance	(1.19)	(0.33)
Total Current	19.74	12.25
Total Non-Current	42.18	50.27
8. DEFERRED TAX ASSETS	As at 31-Mar-24	As at 31-Mar-23
Deferred tax asset on account of:		
Business Loss	(0.29)	7.10
Employee related Provisions and liabilities	181.72	101.43
Other Liabilities and Provisions	-	-
Loss Allowance for Debtors and loans	338.48	199.54
Refund Liabilities	-	1.26
Others	-	0.70
MAT Credit Entitlement	-	-
Fair valuation of Financial Instruments	29.24	29.24
Deferred tax liability on account of:	-	-
Depreciation/Amortisation on property plant and equipments and Intangible assets	(4.97)	(58.49)
Others	(4.84)	(37.52)
Total	539.35	243.25
9. OTHER NON-CURRENT ASSETS (Unsecured, considered good unless otherwise stated)	As at 31-Mar-24	As at 31-Mar-23
Advance Tax [Net off Provision for Tax -Rs.1767.83 lakhs, (Previous year -Rs. 119.04 Lakhs)]	763.11	827.70
Other Advances	51.66	-
Prepaid Expenses	8.82	10.42
Total	823.58	838.12
10. TRADE RECEIVABLES	As at 31-Mar-24	As at 31-Mar-23
Secured		
Unsecured, Considered good - Related Party	442.96	507.59
Unsecured, Considered good - Others	1,036.22	1,100.59
Receivables with significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less : Loss Allowance	(164.59)	(110.91)
Total	1,314.59	1,497.27
11. CASH AND CASH EQUIVALENTS	As at 31-Mar-24	As at 31-Mar-23
Cash on hand	1.54	1.31
Balances with banks -In current accounts	242.78	64.75
	-	-
Total	244.32	66.06

There are no repatriation restrictions with regards to Cash and cash equivalents as at the reporting periods and earlier reporting periods.

	As at 31-Mar-24	As at 31-Mar-23
12. Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits with maturity more than 3 months but less than 12 months (Fixed Deposit placed with HDFC Bank against Overdraft Facility availed)	-	2,000.00 91.34
	<u>-</u>	<u>2,091.34</u>
12. OTHER CURRENT ASSETS		
Prepaid Expenses	63.09	75.73
Contract assets	986.84	1,349.17
Loans and Advances to Employees and others	2.55	19.44
Accrued Interest on FD & ICD	-	0.18
Other Advances	77.34	-
Less: Loss Allowance	(24.2)	(19.7)
	<u>1,105.63</u>	<u>1,424.81</u>
13. SHARE CAPITAL		
Authorised Share Capital		
3,00,00,000 equity Shares (Previous Year: 3,00,00,000)	3250.00	3,250.00
Equity shares of Rs. 10 each	-	-
10,00,000 class B equity Shares (Previous Year: NIL)	-	-
Equity shares of ` 10/- each	-	-
Total	<u>3,250.00</u>	<u>3,250.00</u>
Issued, subscribed and fully paid up Share Capital		
2,00,00,000 equity Shares (Previous Year: 2,00,00,000) of Rs. 10 each	2,000.00	2,000.00
Total	<u>2,000.00</u>	<u>2,000.00</u>

13.a Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31-Mar-24		As at 31-Mar-23	
	No of shares	Amount	No of shares	Amount
Equity Shares at the beginning of the year - Class A	2,00,00,000	2,000	2,00,00,000	2,000
Add : Shares issued	-	-	-	-
Less : Shares Bought back	-	-	-	-
Equity Shares at the end of the year - Class A equity shares	<u>2,00,00,000</u>	<u>2,000</u>	<u>2,00,00,000</u>	<u>2,000</u>

13.b Rights, preferences and restrictions attached to shares

The Company has two classes of shares - Class A and Class B both of Rs.10 each.

The Company has issued only one class of equity shares - Class A shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Class B equity shares, shall have differential voting rights (DVR equity shares) of the Company such that the DVR Equity Shares shall carry voting rights in all general meetings

(including extraordinary and annual meetings) of at least 74% (Seventy Four Percent) of the total paid up voting share capital of the Company on a fully diluted basis.

Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. The Company has not declared/ proposed any dividend in the current year and previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.c Particulars of shares held by Holding Company

	As at 31-Mar-24	As at 31-Mar-23
Class A Equity Shares		
Centrum Retail Services Limited	1,46,09,780	1,37,26,500

13.d Particulars of shareholders holding more than 5% of aggregate shares

Particulars	As at 31-Mar-24		As at 31 March 2023	
	No of shares	% Held	No of shares	% Held
Class A Equity Shares				
Centrum Retail Services Limited *	1,46,09,780	73.05%	1,37,26,500	68.63%
Centrum Financial Services Limited	31,80,000	15.90%	20,00,000	10.00%

*Out of 1,46,09,780 Shares, 6 shares are held by nominees on behalf of Centrum Retail Services Limited.

13.e Shareholding of promoters

Promoter Name Class A Equity Shares	As at 31 March 2024		As at 31 March 2023	
	No of Shares	%of total Shares	No of Shares	%of total Shares
Centrum Retail Services Limited *	1,46,09,780	73.05%	1,37,26,500	68.63%

*Out of 1,46,09,780 Shares, 6 shares are held by nominees on behalf of Centrum Retail Services Limited.

14. OTHER EQUITY

	As at 31-Mar-24	As at 31-Mar-23
Securities premium	1,535.73	1,535.73
Retained earnings	-303.76	(360.78)
Money received against warrants	10.00	10.00
Share Options Outstanding	207.94	-
Non Controlling Interest Reserve*	(306.27)	(306.27)
	1,143.63	878.68

Movements in Reserves

Securities premium

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

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	1,535.73	1,535.73
Movement during the year		
Balance at the end of the year	1,535.73	1,535.73

Retained earnings

Retained Earning are the profit of the company earned till date net of appropriations

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	(360.78)	(4,930.83)
Remeasurement of Post Employment benefits obligations (net of tax)	(84.87)	(41.72)
Profit / (Loss) for the year	141.89	4,611.77
Equity Instrument through OCI	-	-
Balance at the end of the year	(303.76)	(360.78)

Money received against warrants

	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	10.00	10.00
Movement during the year		
Balance at the end of the year	10.00	10.00

15. BORROWINGS	As at 31-Mar-24	As at 31-Mar-23
Current (unsecured)		
Loan from related parties	815.00	1,150.00
Loan from others	-	-
Current Maturities of long term debt	-	-
Note : Loans from related parties (Short Term loan - Interest Rate - 14%, repayable at the end of the term on 31st March,24)	-	-
Current (secured)	-	-
Bank Overdraft	-	1,865.61
Less : Interest Accrued	-	-
Non-current (unsecured)	-	-
Total Current	815.00	3,015.61
Total Non-Current	-	-
Note : Loans from related parties (Short Term loan - Interest Rate - 14%, repayable at the end of the term on 31st March,24)	1,050.00	1,150.00
16. Lease Liabilities	As at 31-Mar-24	As at 31-Mar-23
Non Current		
Lease Liability	492.54	317.49
Current	-	-
Lease Liability	216.21	101.31
Total Non-Current	492.54	317.49
Total Current	216.21	101.31
17. OTHER FINANCIAL LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Current		
Expenses Payable	294.55	446.63
Payable to Staff	10.40	9.49
ESAR liability	35.34	-
Total Current	340.29	456.12
Total Non-Current	-	-
18. Provisions	As at 31-Mar-24	As at 31-Mar-23
Provision for Gratuity		
Current	255.69	269.58
Non current	318.61	246.79
Provision for Compensated Absences	-	-
Current	33.19	38.90
Non current	154.92	146.61
Provision for other employee benefits	-	-
Current	333.29	892.27
Non current	-	5.34
Total Current	622.16	1,200.74
Total Non-Current	473.53	398.72

19. TRADE PAYABLES	As at 31-Mar-24	As at 31-Mar-23
Total Outstanding dues of Micro Enterprises and Small Enterprises		
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	54.00	119.39
Total	54.00	119.39
20. OTHER CURRENT LIABILITIES	As at 31-Mar-24	As at 31-Mar-23
Refund liabilities	-	5.00
Statutory Dues	443.03	460.51
Other Payables	41.81	15.29
Advance from Customers	-	-
Total	484.84	480.80
21. Current Tax Liabilities (Net)	As at 31-Mar-24	As at 31-Mar-23
Provision for tax for the year (PY:Net of Advance tax, SA Tax and TDS paid of Rs. 1421.70 lakhs)	-	208.41
	-	208.41
22. REVENUE FROM OPERATIONS	As at 31-Mar-24	As at 31-Mar-23
Revenue from contract with customers		
Brokerage & Commission	12,040.54	16,710.99
Business Support Service Fees	991.85	2,055.60
Advisory Fees	44.16	30.86
Adjustments for : Refund liabilities (created) /Written back	5.00	-
Revenue from trading in financial instruments	-	-
Profit /Loss from Trading in Securities (Net)	668.60	1,281.38
Profit / Loss from Trading in Derivative Instruments (Net)	-	-
Total	13,750.15	20,078.83
23. OTHER INCOME	As at 31-Mar-24	As at 31-Mar-23
Interest Income from financial assets at ammortised cost	258.50	222.59
Interest on Income Tax Refund	57.07	31.61
Unwinding of Interest on Security Deposits	6.35	4.86
Miscellaneous Income	7.44	4.59
Other non-operating Income	-	-
Fair Value Gain / (Loss) on Investments held for trading	(0.87)	0.87
Fair Value Gain / (Loss) on Other Investments	-	(81.14)
Modification Gain / (Loss) on Lease	6.44	5.11
Total	334.92	188.49
24. EMPLOYEE BENEFITS EXPENSE	Year ended 31-Mar-24	Year ended 31-Mar-23
Salaries	8,504.04	9,198.48
Contributions to provident and other funds	475.94	489.99
Share Based Payments to Employees	243.28	-
Staff welfare expenses	23.82	28.49
Total	9,247.08	9,716.96

25. DEPRECIATION AND AMORTIZATION EXPENSE	Year ended	Year ended
	31-Mar-24	31-Mar-23
Depreciation and Amortization expense	349.71	206.28
Total	349.71	206.28
26. FINANCE COSTS		
	Year ended	Year ended
	31-Mar-24	31-Mar-23
Interest on Borrowings	215.97	66.68
Bank Charges	0.93	0.70
Interest on Employee Benefit Expense	35.53	30.03
Interest on delay in payment of statutory dues	20.26	1.61
Interest on Lease Liability	57.39	29.64
Other Borrowing Cost	-	-
Total	330.08	128.66
27. OTHER EXPENSES		
	Year ended	Year ended
	31-Mar-24	31-Mar-23
Payments to Auditor	13.05	8.55
Business Promotion Expenses	239.25	253.39
Commission and Brokerage	853.69	975.63
Communication and Internet Expenses	17.67	18.31
IT repairs and Maintenance	183.52	165.06
Electricity Expenses	40.61	34.48
Legal & Professional Fees	563.07	975.08
Director Sitting Fees	14.40	17.70
Business Support Services	654.92	632.52
Data Subscription expenses	83.47	81.72
Office Expenses	131.99	99.69
Rent Rates & Taxes	299.97	223.13
Repairs & Maintenance	6.59	5.68
Travelling & Conveyance	73.46	170.02
Insurance	54.49	45.41
Corporate Social Responsibility expenditure	39.35	-
(Recoveries) / Allowances for trade receivables and loans	542.06	345.66
Foreign Exchange gain/loss (Net)	8.32	4.85
Training Expenses	166.22	0.50
Miscellaneous Expenses	14.21	18.94
Total	4,000.31	4,076.35
28. INCOME TAX EXPENSE		
	Year ended	Year ended
	31-Mar-24	31-Mar-23
Current tax	226.43	1,361.65
Tax expenses/(credit) relating to earlier years	57.13	73.52
Total Current Tax Expense	283.55	1,435.17
Deferred tax		
	Year ended	Year ended
	31-Mar-24	31-Mar-23
Decrease (increase) in deferred tax assets	(267.55)	76.62
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	(267.55)	76.62
Total Income Tax Expense	16.00	1,511.79

29. Earnings Per Share (EPS) – Ind AS 33

Particulars	(Rs. in Lakhs)	
	For the year ended 31st March , 2024	For the year ended 31st March , 2023
Face Value per equity share in Rupees	10	10
Basic Earning per share	0.71	23.14
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	141.89	4,627.29
Weighted Average number of equity shares used as denominator for calculating Basic EPS	2,00,00,000	2,00,00,000
Diluted Earnings per share	0.71	23.14
Net profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	141.89	4,627.29
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	2,01,81,392	2,01,00,000
Reconciliation of Weighted average number of shares outstanding		
Weighted Average number of equity shares used as denominator for calculating Basic EPS	2,00,00,000	2,00,00,000
Total Weighted Average potential Equity Shares*	1,81,392	1,00,000
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	2,01,81,392	2,01,00,000

*Dilutive Impact of Employee Stock Option Plan & Share Warrants

30. Contingent liabilities and Commitments

Particulars	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Claims against the group, not acknowledged as debts*	975.19	-
Total	975.19	-

As at March 31, 2024 claims against the Group not acknowledged as debt is in respect of Income tax matter .The claim against the Group represents demand arising on completion of assessment proceedings under Income Tax Act 1961. The claim is on account of disallowance of expenditure and certain loans .The matter is pending with CIT-Appeals and the management expects that ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.36.38 lakhs for 31st March 2024 (PY:Rs.10.00 lakhs as on 31st March, 2023).

31. Capital

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

Capital Management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated.

32. Financial Risk Management Objectives and Policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's activities expose it to a variety of its financial risk such as credit risk, liquidity risk and market risk. The Group 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.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking in to account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

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

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

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

Credit Risk Management

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

Definition of Default

For Trade receivables, definition of default has been considered at 365 days past due after looking at the historical trend of receiving the payments.

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

Impairment of Financial assets

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

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

Trade & Other Receivables:

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

Cash and Bank balances:

The Group held cash and bank balance of INR 244.32 Lakhs at March 31, 2024 (March 31, 2023: INR 66.36 Lakhs). The same are held with bank and financial institution counterparties with good credit rating therefore have limited exposure to credit risk.

Loans:

All of the entity's debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Measurement of Expected Credit Losses

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

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

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

Centrum Wealth Limited**Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024**

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

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

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

Probability of Default (PD)

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

Loss Given Default (LGD)

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

Exposure at default (EAD)

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

Reconciliation of loss allowance provision – Trade Receivables, Loans, Security Deposits, Investments and Other financial assets

(Rs. in Lakhs)

Reconciliation of Loss Allowance	Loss Allowance measured at 12 month expected losses			
	Trade receivables	Loans	Other financial Assets	Contract assets
Loss allowance as on 31 March 2022	166.69	329.10	321.80	13.98
Bad debts written off - Reversed from Loss allowance	(64.41)	-	(320.00)	-
Add: Changes in loss allowances	8.63	331.14	0.16	5.73
Loss allowance as on 31 March 2023	110.91	660.24	1.96	19.71
Bad debts written off - Reversed from Loss allowance	-	-	-	-
Add: Changes in loss allowances	53.68	483.00	0.90	4.48
Loss allowance as on 31 March 2024	164.60	1,143.24	2.86	24.19

Market Risk

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

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying amount	Traded risk	Non traded risk	Carrying amount	Traded risk	Non traded risk
Assets						
Cash and cash equivalents	244.32	-	244.32	66.06	-	66.06
Bank balance other than cash and cash equivalents above	-	-	-	2,091.34	-	2,091.34
Derivative financial instruments	-	-	-	-	-	-
Trade Receivables	1,314.59	-	1,314.59	1,497.27	-	1,497.27
Loans	1,043.66	-	1,043.66	1,593.66	-	1,593.66
Investments - at cost	-	-	-	-	-	-
Investments - at FVOCI	-	-	-	-	-	-
Investments - at FVTPL	-	-	-	70.29	70.29	-
Other financial assets	61.92	-	61.92	62.52	-	62.52
Liabilities						
Trade payables	54.00	-	54.00	119.39	-	119.39
Derivative Financial Instruments	-	-	-	-	-	-
Borrowings (other than Debt securities)	815.00	-	815.00	3,015.61	-	3,015.61
Other financial liabilities	1,049.05	-	1,049.05	874.92	-	874.92

The Group manages market risk through its treasury department, which evaluate and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Centrum Wealth Limited**Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024****Interest Rate Risk**

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management. There are no Variable rate borrowings as at end of the reporting periods.

Foreign Currency Risk

The Group's exposures to unhedged foreign currency risk as at the end of the reporting periods expressed in INR are as follows

Particulars	(Amount in Rs.)	
	As at March 31, 2024	As at March 31, 2023
Loan & Advances to related parties	-	-
Loan & Advances to others	-	-
Trade Receivable	-	Rs.22,40,657 (USD 27,270.07 @ closing rate of 1 USD = 82.2164)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	(Rs. in Lakhs)	
	Impact on Profit before Tax	
	March 31, 2024	March 31, 2023
INR / USD Sensitivity increase by 5%	-	1.12
INR / USD Sensitivity decrease by 5%	-	(1.12)

Liquidity Risk

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

The details regarding the contractual maturities of significant non derivative financial liabilities as on March 31, 2024 are as follows:

Particulars	Within 1 Year	1-2 Years	2-4 years	Total
Secured Borrowings	0.00	0.00	0.00	0.00
Unsecured Borrowings	815.00	0.00	0.00	815.00
Trade Payable	216.21	0.00	0.00	216.21
Other financial liabilities	1049.05	0.00	0.00	1049.05

Particulars	Within 1 Year	1-2 Years	2-4 years	Total
Secured Borrowings	-	-	-	-
Unsecured Borrowings	3,015.61	-	-	3,015.61
Trade Payable	101.31	-	-	101.31
Other financial liabilities	874.92	-	-	874.92

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

Centrum Wealth Limited

Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

33: Fair Value Measurements

A. Accounting classification and fair values

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

(INR in Lakhs)

Financial Assets and Liabilities as at 31 March 2024	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Investment in LLP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	1,314.59	1,314.59	-	-	-	-	-	-	-	-	-	-	1,314.59	1,314.59	1,314.59
Loans and Advances	-	1,043.66	1,043.66	-	-	-	-	-	-	-	-	-	-	1,043.66	1,043.66	1,043.66
Cash and Cash equivalents	-	244.32	244.32	-	-	-	-	-	-	-	-	-	-	244.32	244.32	244.32
Other Financial Assets	42.18	19.74	61.92	-	-	-	-	-	-	-	-	-	-	61.92	61.92	61.92
Total	42.18	2,622.31	2,664.49	-	-	-	-	-	-	-	-	-	-	2,664.49	2,664.49	2,664.49
Financial Liabilities																
Borrowings	-	815.00	815.00	-	-	-	-	-	-	-	-	-	-	815.00	815.00	815.00
Trade Payables	-	54.00	54.00	-	-	-	-	-	-	-	-	-	-	54.00	54.00	54.00
Lease liabilities	492.54	216.21	708.76	-	-	-	-	-	-	-	-	-	-	708.76	708.76	708.76
Other Financial Liabilities	-	340.29	340.29	-	-	-	-	-	-	-	-	-	-	340.29	340.29	340.29
Total	492.54	1,425.51	1,918.05	-	-	-	-	-	-	-	-	-	-	1,918.05	1,918.05	1,918.05

Financial Assets and Liabilities as at 31 March 2023	Carrying value			Routed through Profit and Loss				Routed through OCI				Carried at amortised cost				Total Amount
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Investments*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (Investment in LLP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	1,314.59	1,314.59	-	-	-	-	-	-	-	-	-	-	1,314.59	1,314.59	1,314.59
Loans and Advances	-	1,043.66	1,043.66	-	-	-	-	-	-	-	-	-	-	1,043.66	1,043.66	1,043.66
Cash and Cash equivalents	-	244.32	244.32	-	-	-	-	-	-	-	-	-	-	244.32	244.32	244.32
Other Financial Assets	42.18	19.74	61.92	-	-	-	-	-	-	-	-	-	-	61.92	61.92	61.92
Total	42.18	2,622.31	2,664.49	-	-	-	-	-	-	-	-	-	-	2,664.49	2,664.49	2,664.49
Financial Liabilities																
Borrowings	-	815.00	815.00	-	-	-	-	-	-	-	-	-	-	815.00	815.00	815.00
Trade Payables	-	54.00	54.00	-	-	-	-	-	-	-	-	-	-	54.00	54.00	54.00
Lease liabilities	492.54	216.21	708.76	-	-	-	-	-	-	-	-	-	-	708.76	708.76	708.76
Other Financial Liabilities	-	340.29	340.29	-	-	-	-	-	-	-	-	-	-	340.29	340.29	340.29
Total	492.54	1,425.51	1,918.05	-	-	-	-	-	-	-	-	-	-	1,918.05	1,918.05	1,918.05

B. Measurement of fair value

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

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

C. Fair Value Hierarchy

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

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

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

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits etc were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

34. Leases

Transition to IND AS 116

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Group recorded the lease liability and right of use assets at the present value of the lease payments discounted at the Incremental borrowing as on date of initial application.

The details of Right of Use assets held by the Group is as follows :

Particulars	Vehicles	Office premises	Total
Balance as at March 31,2022	-	110.25	110.25
Additions	-	453.08	453.08
Disposals and transfers	-	(50.84)	(50.84)
Depreciation	-	(90.91)	(90.91)
Balance as at March 31,2023	-	421.57	421.57
Additions	333.42	178.07	511.49
Disposals and transfers	-	(58.44)	(58.44)
Depreciation	(53.38)	(131.73)	(185.11)
Balance as at March 31,2024	280.04	409.47	689.51

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

The following is the movement in lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	418.79	106.99
Additions	502.65	433.58
Finance cost accrued during the period	57.39	29.64
Deletions	(60.53)	(52.81)
Payment of lease liabilities	(209.56)	(98.60)
Balance as at end of the year	708.75	418.79

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

Particulars	As at 31 March 2024	As at 31 March 2023
upto 3 months	70.46	34.43
3 to 6 months	70.04	34.43
6 to 12 months	138.79	69.71
1 year to 3 year	481.61	243.08
More than 3 years	69.27	126.60
Total	830.17	508.25

Rental payments for short term leases and assets not considered as leases under IND AS 116 was Rs.248.64 lakhs for FY 2023-24 (PY: 223.80 lakhs).

35. Assets pledged as Security

The Carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	31 March,2024	31 March,2023
Non-Current Assets		-	-
Fixed Deposits	12	-	2,000.00
Total Assets pledged as Security		-	2,000.00

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

37. Key Managerial Person Compensation

	(Rs. in Lakhs)	
Particulars	31 March,2024	31 March,2023
Short term employee benefits	456.97	626.94
Post-employment benefits	-	-
Long term employment benefits	-	-
Termination benefits	-	-
Share based payments	100.53	-
Total	557.50	626.94

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

Centrum Wealth Limited

Note No 38: Related party Transactions for the Year Ended March 31, 2024

Nature of Relationship	Name of Party
Holding Company	Centrum Retail Services Limited
Ultimate Holding Company	Centrum Capital Limited
MD & CEO	Mr. Sandeep Das
Chief Financial Officer	Mr. Mayank Jalan
Chief Financial Officer - Wholly Owned Subsidiary	Mr. Dilip Bafna
Company Secretary	Ms. Snehal Saboo
Non-Executive Director	Mr. Rajesh Srivastava
Non-Executive Director	Mr. Sriram Venkatasubramanian
Non-Executive Director	Mr. Steven Pinto
Non-Executive Director	Koni Sandeep Nayak
Non-Executive Director	Deepa Poncha
Non-Executive Director	Rajendra Naik
Independent Director	Mr. Subhash Kutte
Independent Director	Mr. R A Sankaranarayanan
Independent Director (Resigned w.e.f August 07, 2023)	Mr. Ghulam Mohammed Ghouse
Wholly-owned Subsidiary	Centrum Investment Advisors Limited
Fellow Subsidiary	Modulus Alternatives Investment Managers Limited
Fellow Subsidiary	Centrum Financial Services Limited
Fellow Subsidiary	Centrum Broking Limited
Fellow Subsidiary	Unity Small Finance Bank Limited
Fellow Subsidiary	Centrum Insurance Brokers Limited
Fellow Subsidiary (ceased to be a subsidiary w.e.f November 17, 2023)	Centrum International Services Pte Ltd
Promoter Group Entity of Ultimate Holding Company	JBCG Advisory Services Private Limited
Entity where Director of Ultimate Holding Company is a Director	PPFAS Assets Managment Private Limited
Entity in which Director of Ultimate Holding Company has significant influence	Centrum Fiscal Private Limited
Entity in which Director of Ultimate Holding Company has significant influence	Club 7 Holidays Limited
Entity in which Director of Ultimate Holding Company has significant influence	Western Habitat
Private Company in which Director is interested	Prowess Advisors Private Limited
LLP in which Director of Holding Company is a Designated Partner	Centrum REMA LLP
Promoter Group Entity of Ultimate Holding Company till Dec 01, 2023	BG Advisory Services LLP
Promoter of Ultimate Holding Company	Businessmatch Services (India) Pvt Ltd
Entity in which Director of Ultimate Holding Company has significant influence	Acapella Foods & Restaurants Private Limited

Name of the related party	Description	Transaction during Year Ended 31-03-2024	Receivable / (Payable) As at 31-03-2024	Transaction during Year Ended 31-03-2023	Receivable / (Payable) As at 31-03-2023
Centrum Capital Limited	Inter-Corporate Deposits Taken	2,07,20,00,000	-	-	-
	Inter-Corporate Deposits repaid	1,99,05,00,000	-	-	-
	Inter-Corporate Deposits given	3,45,00,000	-	-	-
	Inter-Corporate Deposits received back	3,45,00,000	-	-	-
	Brokerage, Commission & Other Income	49,36,702	-	8,96,42,395	-
	Miscellaneous Income-Expenses Reimbursement	1,25,000	-	75,000	-
	Brokerage - Expenses	7,49,793	-	34,17,434	-
	Marketing and Branding Expenses	16,40,740	-	16,51,024	-
	Interest Expenses	64,42,104	-	-	-
	Interest Income	29,54,344	-	-	-
	Investment in CCL's MLD	-	-	1,19,49,59,160	-
	MLD Proceed on Redemption	69,39,500	-	1,24,35,95,830	-
	Loan Payable	-	(8,15,00,000)	-	-
	Sundry Debtors	-	1,05,933	-	-
Sundry Creditors	-	-	-	-	
Centrum Retail Services Limited	Inter-Corporate Deposits Taken	2,27,40,00,000	-	6,09,85,00,000	-
	Inter-Corporate Deposits repaid	2,38,90,00,000	-	6,12,50,00,000	-
	Inter-Corporate Deposits Given	1,00,00,000	-	34,50,00,000	-
	Inter-Corporate Deposits Taken Back	3,50,00,000	-	32,00,00,000	-
	Business Support Services - Expenses	5,25,00,000	-	5,25,00,001	-
	Electricity - Expenses	20,28,464	-	20,68,749	-
	Telephone and Leased Line - Expenses	2,60,006	-	3,47,494	-
	Rent - Expenses	2,18,34,296	-	1,79,29,735	-
	Interest - Expenses	93,97,595	-	60,62,959	-
	Interest - Income	5,33,607	-	1,09,316	-
	Expenses Reimbursement	7,07,745	(39,944)	8,66,969	(39,000)
	Brokerage, Commission & Other Income	6,95,55,630	-	11,07,87,683	-
	Miscellaneous Income- Rent Reimbursement	60,000	-	60,000	-
	Sale of Fixed Assets	1,27,786	-	-	-
	Investment in CRSL NCD's/MLD's	1,38,21,91,188	-	2,00,31,32,880	-
	MLD Proceed on Redemption	15,94,54,400	-	74,23,22,960	-
	Purchase of CIAL Shares	-	-	37,68,74,680	-
	Loan Payable	-	-	-	(11,50,00,000)
Loan Receivable	-	-	-	2,50,00,000	
Sundry Debtors	-	-	-	6,25,107	
Sundry Creditors	-	(1,62,689)	-	(1,70,711)	
Share Warrants	-	(10,00,000)	-	(10,00,000)	
Unity Small Finance Bank Limited	Brokerage, Commission-Income	4,40,88,554	-	12,46,523	-
	Reimbursement- Income	-	-	8,40,331	-
	Expenses Reimbursement	65,053	-	-	-
	MLD Proceed on Redemption	-	-	2,91,33,96,552	-
	Sundry Debtors	-	2,68,985	-	12,46,523

Centrum Wealth Limited

Note No 38: Related party Transactions for the Year Ended March 31, 2024

Centrum Broking Limited	Inter-Corporate Deposits Given	1,75,00,000	-	2,73,00,00,000	-	
	Inter-Corporate Deposits Taken Back	1,75,00,000	-	2,73,00,00,000	-	
	Brokerage, Commission & Other Income	12,13,43,802	-	12,13,64,293	-	
	Brokerage Income - Equity Business Associate	2,16,37,845	-	2,00,83,019	-	
	Referral Commission- Income	-	-	16,65,289	-	
	Interest - Income	6,694	-	10,47,124	-	
	Miscellaneous Income-Expenses Reimbursement	1,10,000	-	65,000	-	
	Sale of Fixed Assets	88,037	-	-	-	
	Purchase of Fixed Assets	21,193	-	-	-	
	Professional Fee- Expenses	-	-	46,52,199	-	
	Referral Commission - Expenses	1,38,60,168	-	87,71,248	-	
	Trading Account Expenses	74,271	-	45,807	-	
	Membership & Subscription expenses	6,25,209	-	5,36,367	-	
	Other Office Expenses	-	-	2,34,015	-	
	Sundry Debtors	-	5,34,42,858	-	5,29,76,231	
	Sundry Creditors	-	(6,38,428)	-	(16,34,748)	
Margin Account Balance	-	(131)	-	35,548		
Centrum Financial Services Limited	-	-	-	-	-	
	Investment in CFSL NCD's/MLD's	1,63,33,42,533	-	-	-	
	Brokerage & Commission - Income	10,61,65,500	-	-	-	
Modulus Alternatives Investment Managers Limited	-	-	-	-	-	
	Brokerage & Commission - Income	5,33,68,316	-	(3,51,451)	-	
	Sale of Fixed Assets	71,000	-	-	-	
Centrum Capital Advisors Limited	Sundry Debtors	-	23,71,597	-	-	
	-	-	-	-	-	
	Brokerage & Commission - Income	-	-	28,87,500	-	
JBCG Advisory Services Private Limited	Investment in NCD's	12,97,60,000	-	41,03,61,823	-	
	Sundry Debtors	-	-	-	10,090	
	-	-	-	-	-	
Centrum International Services Pte Ltd	Brokerage & Commission - Income	57,21,000	-	38,70,000	-	
	Sundry Debtors	-	18,64,500	-	20,67,900	
Club 7 Holidays Limited	Professional Fee	2,19,08,766	-	3,47,65,406	-	
	Sundry Creditors	-	-	-	-	
PPFAS Assets Managment Private Limited	-	-	-	-	-	
	Brokerage & Commission - Income	31,77,610	-	29,77,793	-	
Acapella Foods & Restaurants Private Limited	-	-	-	-	-	
	Other Office Expenses	43,73,359	(3,27,453)	42,66,615	-	
Western Habitat	Brokerage & Commission - Income	18,86,250	-	25,15,000	-	
	Sundry Debtors	-	22,72,713	-	1,91,251	
Centrum Insurance Brokers Limited	-	-	-	-	-	
	Miscellaneous Income-Expenses Reimbursement	17,420	-	22,100	-	
Centrum Fiscal Private Limited	Purchase of Fixed Asset	5,717	-	-	-	
	-	-	-	-	-	
BG Advisory Services LLP	Business Support Services - Expenses	15,000	-	60,000	-	
	-	-	-	-	-	
Centrum REMA LLP	Brokerage & Commission - Income	-	-	4,37,500	4,94,375	
Prowess Advisors Private Limited	Purchase of Fixed Assets	-	-	3,200	-	
Businessmatch Services (India) Pvt Ltd	Sale of Acorn Shares	-	-	1	-	
Key Managerial Personnel	Brokerage & Commission - Income	-	-	1,41,62,500	-	
	-	-	-	-	-	
	Salaries and other employee benefits to KMP's	5,57,49,510	-	6,26,93,525	-	
	-	-	-	-	-	
	Asha Marie Pinto	Down Sell of MLD's/NCD's	15,09,751	-	-	-
	Basant Seth	Down Sell of MLD's/NCD's	12,08,257	-	-	-
	Hemlata Kapil Bagla	Down Sell of MLD's/NCD's	10,11,171	-	-	-
	Directors	-	-	-	-	
	Mr. Subhash Kutte	Director Sitting Fees	4,50,000	-	6,00,000	-
	Mr. Subhash Kutte	Reimbursement Expenses	-	-	54,868	-
	Mr.Rajesh Srivastava	Director Sitting Fees	3,60,000	-	6,00,000	-
	Mr.R A Sankaranarayanan	Director Sitting Fees	4,20,000	-	-	-
Mr.Ghulam Ghouse	Director Sitting Fees	1,20,000	-	-	-	
Mr.Steven Pinto	Director Sitting Fees	90,000	-	5,70,000	-	

Centrum Wealth Limited

Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

Note 39: Employee Benefits

(a) Long term employee benefit obligations

The leave obligations cover the Company's liability for casual and earned leave.

The compensated absences charge for the year ended March 31, 2024 amounting to Rs. 2.60 lakhs (March 31, 2023 Rs. 9.57 lakhs) has been charged in the Statement of Profit and Loss.

(b) Post employment obligations

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	(Rs. in lakhs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Employer's Contribution to Provident Fund	382.63	391.14

Defined benefit plans

Gratuity

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 is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan.

Particulars	(Rs. in lakhs)		
	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2022	669.65	222.22	891.88
Current service cost	90.05	-	90.05
Interest expense/(income)	48.23	15.20	63.43
Total amount recognised in profit and loss	138.28	15.20	153.48
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(6.33)	(6.33)
(Liability Transferred Out/ Divestments)	38.29	-	38.29
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	-	-	-
Actuarial (Gains)/losses on obligations due to change in financial assumptions	(21.53)	-	(21.53)
Actuarial (Gains)/losses on obligations due to experience	68.50	-	68.50
Total amount recognised in other comprehensive income	85.27	(6.33)	78.94
Employer contributions	-	145.74	145.74
Benefit payments	(63.39)	(63.39)	(126.79)
As at March 31, 2023	829.81	313.44	1,143.25
Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 01, 2023	829.81	313.44	1,143.25
Current service cost	84.92	-	84.92
Interest expense/(income)	60.55	22.40	82.95
Total amount recognised in profit and loss	145.47	22.40	167.87
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(18.51)	(18.51)
(Assets Transferred Out/ Divestments)	-	0.00	0.00
Actuarial (Gains)/losses on obligations due to change in demographic assumptions	9.55	-	9.55
Actuarial (Gains)/losses on obligations due to change in financial assumptions	43.35	-	43.35
Actuarial (Gains)/losses on obligations due to experience	42.02	-	42.02
Total amount recognised in other comprehensive income	94.91	(18.50)	76.41
Employer contributions	-	178.53	178.53
Benefit paid	(374.16)	(374.16)	(748.32)
As at March 31, 2024	696.03	121.71	817.74
The net liability disclosed above relates to gratuity are as follows:			
Particulars	31st March, 2024	31st March, 2023	
Fair value of plan assets	121.71	313.44	
Present value of funded obligations	696.03	829.81	
Funded Status Surplus/(Deficit)	(574.31)	(516.37)	
Net (Liability)/Asset Recognized in the Balance Sheet	(574.31)	(516.37)	
Categories of plan assets are as follows:			
Particulars	31st March, 2024	31st March, 2023	-
Insurer managed funds	121.71	313.44	
Total	121.71	313.44	

Significant estimates: Actuarial assumptions and sensitivity						
The significant actuarial assumptions were as follows:						
Particulars	31st March, 2024		31st March, 2023			
	Expected Return on Plan Assets	7.19%		7.39%		-
Rate of Discounting	7.19%		7.39%			
Rate of Salary Increase	10.00%		8.00%			
Rate of Employee Turnover	12.00%		10.00%			
Mortality Rate during Employment	Indian Assured Lives Mortality (2012-14)		Indian Assured Lives Mortality (2012-14)			
Sensitivity analysis						
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:						
Particulars	Impact on Profit and Loss					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Discount rate	1.00%	1.00%	(34.83)	(36.16)	38.71	40.50
Salary Increase	1.00%	1.00%	18.42	24.29	(18.29)	(24.32)
Employee Turnover	1.00%	1.00%	1.92	3.53	(2.23)	(4.02)
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.						
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.						
Risk exposure						
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. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.						
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 the members more than assumed level will increase the plan's liability.						
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.						
Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.						
Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.						
Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.						
Employer expected contributions						
Expected contributions to post-employment benefit plans for the year ending March 31, 2024 are Rs. 2,55,70,700/- year ending March 31, 2023 are Rs 2,69,57,012/-.						
The weighted average duration of the defined benefit obligation is 15 years (March 31, 2023 – 15 years). The expected maturity analysis of undiscounted gratuity is as follows:						
Particulars	Less than a year		Between 2-5 years	Over 5 years	Total	
	March 31, 2024	March 31, 2023				
Defined benefit obligation (gratuity)	98.28	312.70	696.96		1,107.93	
Defined benefit obligation (gratuity)	223.84	308.90	760.30		1,293.04	

Centrum Wealth Limited
Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

Note 40: Employee Share based Payment

The Group provides share-based payment to its employees. The Group has one employee Stock Option Scheme i.e.CWL ESOP 2023.

CWL ESOP 2023

The Scheme was approved by the Shareholders on December 14, 2023 for grant of stock options and below are the vesting requirements

Sr. No.	Particulars	Maximum options entitled for vesting
1	At the end of Year 1 from the Grant date	25 (Twenty Five)% of total options granted
2	At the end of Year 2 from the Grant date	25 (Twenty Five)% of total options granted
3	At the end of Year 3 from the Grant date	25 (Twenty Five)% of total options granted
4	At the end of Year 4 from the Grant date	25 (Twenty Five)% of total options granted

The details of activity under this scheme (Face value of ₹ 10 each) are summarized below:

Particulars	Number of options for year ended	
	March 31, 2024	March 31, 2023
Scheme 2023 : Face value of Rs. 10 each		
Exercise price	Refer Note A below	-
Options outstanding as at beginning of the year	-	-
Add: Granted	2,99,500	-
Less: Exercised	-	-
Less: Forfeited	10,000	-
Less: Expired	-	-
Option outstanding end of the year	2,89,500	-
Exercisable at the end of the year	-	-

Note A: Details of the ESOP Plan are as below

Particulars	Scheme 2023
Exercise price/Pricing formula	The Exercise Price for the Options granted shall be Rs.10 per share
Total number of stock options approved	2,99,500
Maximum term of stock options granted	5 years
Source of shares (primary, secondary or combination)	Primary
Date of Grant	18-12-2023
Total number of Options granted	2,99,500
Method of settlement	Equity
Total Number of Granted but not vested	Nil
Vested but not exercised	Nil
Exercise period	5 Years from each grant date
Weighted average share price at the date of exercise for stock options exercised during the year	NA

Details of Options granted:

The Fair Value of the Options at the grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plan

Particulars	Scheme 2023
Grant Date	December 18, 2023
Number of Options granted	2,99,500
Number of Options forfeited/Cancelled	10,000
Number of Options granted (net)	2,89,500
Range of Risk free interest rate	7.11% - 7.22%
Expected volatility	14.56% to 19.41%
Expected Life of Options	3-6 Years
Exercise price (Rs.)	10
Fair value of option (Rs.)	Rs. 492.27 - 493.86
No. of years vesting	As per Vesting Schedule described above

Vesting of options is subject to continued employment during the vesting period.

Employee Share Appreciation Rights Plan

During the year the board of the Company had approved SAR Plan on 27th October 2023.

Details of SARs granted are as follows

Particulars	Year Ended 31st March 2024	
	SAR-I	SAR-II
Date of Grant		
Fair Value at Grant Date		
Total Number of Rights Approved under the scheme	5,00,000	10,00,000.00
Number of Rights Issued	1,28,000	5,00,000.00
Exercise Price	Rs. 300 per SAR	- Rs. 500 per SAR
Vesting requirement	As decided by the Board / Committee from time to time	As decided by the Board / Committee from time to time
Date of Vesting	20% in May 2025 35% in May 2026 45% in May 2027	20% in May 2025 35% in May 2026 45% in May 2027
SAR Settlement Price	20% discount to the fully diluted price	20% discount to the fully diluted price
Method Of Settlement	Cash	Cash

The Fair Value of the SARs as on measurement date (31st March 2024) is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the SAR. The following tables list the inputs used for fair valuation of options for the SAR Plan

Particulars	SAR-I	SAR-II
Number of SARs granted	1,28,000	5,00,000
Range of Risk free interest rate	7.07% - 7.11%	7.07% - 7.11%
Expected volatility	10.85% - 14.57%	10.85% - 14.57%
Expected Life of Options	1.42 - 3.42 Years	1.42 - 3.42 Years
Exercise price (Rs.)	300	500
Fair value of option (Rs.)	Rs. 128.91 - Rs. 165.43	Rs. 5.05 - Rs. 46.39

Other Information regarding employee share based payments is below:

Particulars	For the year Ended	
	31-Mar-24	31-Mar-23
Expense Arising from Equity-settled share plans	207.94	-
Expense Arising from Cash- Settled share plans	35.34	-
Total expense arising from share-based payment transactions recognized in Statement of Profit and Loss	243.28	-

41. Segment Information

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

The Group is engaged mainly in distribution of Mutual Funds, Insurance policies, trading of securities and distribution of other financial products. The Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments.

Group has two reporting segments; viz Broking and Business support services and Securities trading .

Broking and Business support services : This segment includes distribution of various financial products including Mutual funds, Insurance policies, alternative investments and referral services.

Securities Trading : This segment includes trading in Unlisted shares, debentures and other securities.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. The Group's operations are primarily in India, accordingly there is no reportable secondary geographical segment.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments.

Particulars	(Rs. In Lakhs)	
	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Segment Revenue		
a. Brokerage, Commission and Business support services	13,081.55	18,797.45
b. Securities Trading	668.60	1,281.38
Less: Inter Segment Revenue		
Add: Unallocated		
Total revenue from operations	13,750.15	20,078.83
Identifiable Operating expenses		
a. Brokerage & Commission	853.69	975.63
b. Securities Trading		
Total segment operating expenses	853.69	975.63
i. Unallocated expenses	12,743.41	13,023.95
ii. Other Income	334.92	188.49
iii. Finance cost	330.08	128.66
Profit/(Loss) before tax	157.90	6,139.08

42. Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company

The Group does not have any Immovable properties.

(ii) Fair Value of Investment Property

The Group does not have any Investment Property.

(iii) Revaluation of Property, plant and equipment

The Group has not revalued its property, plant and equipment and intangible assets during the current or previous year.

(iv) Loans or Advances in the nature of loans to Directors, KMPs, Promoters and related parties

The Group has not granted any Loans and Advances in the nature of loans to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms of repayment.

(v) Details of Benami Property held

There are no proceedings that have been initiated or pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) Borrowings against current assets

During the year, no borrowings were taken / or outstanding against any current assets.

(vii) Wilful Defaulter

No Company in the Group is declared a wilful defaulter by any bank or financial institution or other lender.

(viii) Relationship with Struck off Companies

Group does not have any transaction with Companies that have been struck off under section 248 or section 560 of the Companies Act.

(ix) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges pending to be registered with the Registrar of Companies.

Centrum Wealth Limited
Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

(x) Compliance with number of layer of Companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(xi) Utilisation of Borrowed funds and share premium

(A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries"); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the Group shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43. Additional Information

(i) Undisclosed Income

Any Company in the Group does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

(ii) Details of Crypto Currency or Virtual Currency

Group has not traded in Crypto currency or Virtual Currency.

44. Additional Information as required under Schedule III of the Companies Act 2013 of enterprises consolidated as subsidiary or associates

Name of the enterprise	Rs. In Lakhs							
	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated assets	Amount	As % of Consolidated P&L	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated total Comprehensive Income	Amount
Parent								
Centrum Wealth Limited	98%	6,520.39	88%	138.34	97%	(82.06)	77%	56.28
Subsidiaries - Indian								
Centrum Investment Advisors Limited	10%	672.41	12%	19.56	3%	(2.81)	23%	16.75
Adjustments arising out of consolidations	-8%	(550.59)						
Total Assets / Net Profit / (Loss) of Group	100%	6,642.21	100%	157.90	100%	(84.87)	100%	73.03

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

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

Chartered Accountants

For A.T. Jain & Co.

ICAI Firm registration number: 103886W

**For and on behalf of the Board of Directors of
Centrum Wealth Limited**

Sushil T. Jain
Partner
Membership No.: 033809

Sandeep Das
Managing Director & CEO
DIN:02889521

Sriram Venkatasubramanian
Non Executive Director
DIN:00169087

Place: Mumbai
Date : 26 April, 2024

Mayank Jalan
Chief Financial Officer

Snehal Saboo
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Ignis Capital Advisors Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Ignis Capital Advisors Limited** ("the Company") which comprises Balance Sheet as at 31 March 2024, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement for the year ended 31 March 2024, and notes to financial statements, including a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the profit and total comprehensive income, changes in equity and its cash flow for the year ended 31 March 2024.

Basis for Opinion

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

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

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

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

Management's and Board of Directors responsibility for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair

view of the financial position, financial performance, including other comprehensive income, cash flow and changes in equity of the Company in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, to the extent applicable, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

- (e) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- (g) with respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), 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 for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that such company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like from or on behalf of the Ultimate beneficiaries.
 - (iii) Based on the audit procedures performed, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (i) and (iv) (ii) given by the Management contain any material mis-statement.

- v. The Company has not declared any dividend during the year under audit.
 - vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (as amended from time to time), we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act read with Schedule V. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Firm's Registration No.: 116125W

For R G D & Co.
Chartered Accountants

Place: **Mumbai**
Date: **19 April 2024**

Rajesh G. Dasija
Proprietor
Membership No.: 100380
UDIN: 24100380BKFLXL7734

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

On the financial statements of Ignis Capital Advisors Limited (‘the Company’) for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of (“the Company”) as at 31 March 2024 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls 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 issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and whether 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include 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 years 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.

For R G D & Co.
Chartered Accountants

Firm's Registration No.: 116125W

Place: **Mumbai**
Date: **19 April 2024**

Rajesh G. Dasija
Proprietor
Membership No.: 100380
UDIN: 24100380BKFLXL7734

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 2 under ‘Report on other legal and regulatory requirements’ section of our Independent Auditor’s report to the members of Ignis Capital Advisors Limited (‘the Company’) of even date on the financial statements for the year ended 31 March 2024, on the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified at reasonable intervals. In accordance with this programme, certain Property, Plant and Equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any Immovable Property. Accordingly, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable to the Company.
- (ii) The Company is a service company. Accordingly, it does not hold any inventories; hence the requirement of sub-clause (a) and (b) of clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) The Company has made investments in, provided any guarantee and security and granted any loans and advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
 - (a) The Company has provided loans and advances in the nature of loan during the year:

The Company has provided loans and advances aggregate amounting to Rs NIL during the year to Subsidiaries, Joint Ventures and Associates and balance outstanding at the balance sheet date is Rs. NIL.

The Company has provided loans and advances aggregate amounting to Rs. 5,00,00 (in '000) during the year to other than Subsidiaries, Joint Ventures and Associates and balance outstanding at the balance sheet date is Rs. 5,00,00 (in '000).

- (b) In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans and advances granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and repayment or receipts are regular.
 - (d) In respect of loans and advances granted by the Company, there are no overdue amount remaining outstanding as at the balance sheet date.
 - (e) There are no loans granted by the Company which has fallen due during the year and has been renewed and extended. Hence, reporting under clause 3(iii)(e) is not applicable.
 - (f) The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Companies has complied with the provisions of sections 185 and 186 of the Companies Act in respect of loans, investments, guarantees, and security provided, as applicable.
 - (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from public during the year. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
 - (vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the business activities carried out by the Company. Accordingly, clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted and or accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and services tax, and other material statutory dues applicable to the Company, have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to information and explanations given to us, no undisputed amount payable with respect to statutory dues mentioned above was in arrears as at 31 March 2024 for a year of more than six months from the day they become payable.
 - (b) According to the information and explanation given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, clause (viii) of paragraph 3 of the Order is not applicable to the Company.

- (ix)
 - (a) According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of loans or in the payment of interest to any lenders. Accordingly, sub-clause (a) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
 - (b) According to the information and explanation given to us and records examined by us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender. Accordingly, sub-clause (b) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
 - (c) According to the information and explanations given to us, the Company has not obtained any term loan. Accordingly, sub-clause (c) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
 - (d) According to the information and explanations given to us, short term funds raised by the Company has not been utilised for long term purposes. Accordingly, sub-clause (d) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, sub-clause (e) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
 - (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, sub-clause (f) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- (x)
 - (a) The Company did not raise any moneys by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, sub-clause (a) of clause (x) of paragraph 3 of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year other than preferential allotment of shares, included in Note 10 of the financial statements.

Requirements of Section 42 and Section 62 of the Act have been complied with, in respect of the preferential allotment of shares, included in Note 10 of the financial statements, and the funds raised have been used for the purpose for which the funds were raised.
- (xi)
 - (a) According to information and explanation given to us, no fraud by the Company or on the Company has been noticed or reported during the year covered by our audit report. Accordingly, sub-clause (a) of clause (xi) of paragraph 3 of the Order is not applicable to the Company.
 - (b) According to information and explanation given to us, no report under sub-section (12) of Section 143 of the Companies Act 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, sub-clause (b) of clause (xi) of paragraph 3 of the Order is not applicable to the Company.

- (c) According to information and explanation given to us, the Company has not received any whistle-blower complaints during the year. Accordingly, sub-clause (c) of clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- (xiii) According to information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. In our opinion, Section 177 of the Act is not applicable to the Company.
- (xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provision of Section 138 of the Companies Act, 2013. Accordingly, clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) According to information and explanation given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, sub-clause (a) of clause (xvi) of paragraph 3 of the Order is not applicable to the Company.
- (b) According to information and explanation given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, sub-clause (c) of clause (xvi) of paragraph 3 of the Order is not applicable to the Company.
- (d) According to information and explanation given to us, the Group does not have any CIC as part of the Group. Accordingly, sub-clause (d) of clause (xvi) of paragraph 3 of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 21,73 (in '000) during the financial year covered by our audit and the Rs. NIL immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of paragraph 3 of the Order is not applicable to the Company.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to information and explanation given to us and based on our examination of the records of the Company, the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company. Accordingly, clause (xx) of paragraph 3 of the Order is not applicable to the Company.
- (xxi) The reporting under clause (xxi) of paragraph 3 of Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

Firm's Registration No.: 116125W

**For R G D & Co.
Chartered Accountants**

Place: **Mumbai**
Date: **19 April 2024**

Rajesh G. Dasija
Proprietor
Membership No.: 100380
UDIN: 24100380BKFLXL7734

Ignis Capital Advisors Limited**Balance Sheet as at March 31, 2024***(Currency: Indian Rupees in Thousands)*

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	2.	41	51
Deferred Tax Assets (Net)	3.	337	104
		<u>378</u>	<u>155</u>
Current assets			
Financial assets			
(i) Trade receivables	4.	800	-
(ii) Cash and cash equivalents	5.	4,920	57,093
(iii) Loans and advances	6.	50,000	-
(iv) Other financial assets	7.	138	20
Current Tax Assets (Net)	8.	2,400	2,099
Other current assets	9.	3	3
		<u>58,261</u>	<u>59,215</u>
TOTAL ASSETS		<u>58,639</u>	<u>59,370</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10.	48,833	100
Other Equity	11.	2,342	(51)
		<u>51,175</u>	<u>49</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Other financial liabilities			
Provisions	13.	1,047	1,827
		<u>1,047</u>	<u>1,827</u>
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.	-	50,000
(ii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises		3	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	14.	155	31
(b) Other current liabilities	15.	6,143	7,269
(c) Provisions	13.	116	194
		<u>6,417</u>	<u>57,494</u>
TOTAL EQUITY & LIABILITIES		<u>58,639</u>	<u>59,370</u>

The accompanying notes are an integral part of these financial statements

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As per our report of even date

For R G D & Co.
Chartered Accountants
ICAI FRN: 116125W

For and on behalf of
Ignis Capital Advisors Limited

Rajesh G. Dasija
Proprietor
Mem. No. 100380

Chirag Doshi **Giri Krishnaswamy**
Non-Executive Director **Whole Time Director**
DIN: 09187523 **DIN: 05238555**

Date: April 19, 2024
Place: Mumbai

Ignis Capital Advisors Limited**Statement of Profit and Loss for the year ended March 31, 2024***(Currency: Indian Rupees in Thousands)*

Particulars	Note No.	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
INCOME			
Revenue from Operations	16.	20,450	30,400
Other income	17.	4,996	73
Total Income		25,446	30,473
EXPENSES			
Employee benefits expense	18.	20,506	24,764
Depreciation and amortisation expense	19.	10	1
Finance Costs	20.	410	18
Other expenses	21.	3,760	5,255
Total expenses		24,686	30,038
Profit/(Loss) before exceptional items or tax		760	435
Exceptional Items		-	-
Profit/(Loss) before tax		760	435
Tax Expense			
Current tax	22.	(55)	(776)
Deferred tax		233	96
Profit/(Loss) for the year		938	(245)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of post employment benefit obligation			
		188	150
Other Comprehensive Income for the year		188	150
Total Comprehensive Income for the year		1,126	(95)
Earning per Equity share			
Basic		0.30	(9.51)
Diluted		0.30	(9.51)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For R G D & Co.
Chartered Accountants
ICAI FRN: 116125W

For and on behalf of
Ignis Capital Advisors Limited

Rajesh G. Dasija
Proprietor
Mem. No. 100380

Chirag Doshi **Giri Krishnaswamy**
Non-Executive Director **Whole Time Director**
DIN: 09187523 **DIN: 05238555**

Date: April 19, 2024
Place: Mumbai

Ignis Capital Advisors Limited
Cash Flow Statement for the year ended March 31, 2024
(Currency: Indian Rupees in Thousands)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income for the year	1,126	(95)
Adjustments for :		
Interest Income	(4,996)	-
Depreciation	10	1
Current Tax	55	776
Deferred Tax	(233)	(96)
Operating profit before working capital changes	(4,038)	586
Movement in working capital:		
Decrease/(Increase) in trade receivables	(800)	2,550
Decrease/(Increase) in other financial asset	(118)	1,729
Decrease/(Increase) in current tax asset	(301)	(1,283)
Decrease/(Increase) in other current asset	0	(3)
Increase/(Decrease) in trade payable	127	7
Increase/(Decrease) in provisions	(859)	386
Increase/(Decrease) in other current liabilities	(1,125)	57
Cash Generated from Operations	(7,114)	4,029
Net of Income Tax refund received / (Taxes paid)	(55)	(776)
Net cash used in Operating Activities (A)	(7,169)	3,253
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	-	(51)
Interest Income	4,996	-
Net cash used in Investing Activities (B)	4,996	(51)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Shares to related Party	(48,733)	-
Securities premium	(1,267)	-
Loan Granted	50,000	-
Loan Received	-	50,000
Loan Repaid	(50,000)	-
Net cash generated from Financing Activities (C)	(50,000)	50,000
Net increase in cash and cash equivalents (A+B+C)	(52,173)	53,202
As at the beginning of the year	57,093	3,891
Closing cash and cash equivalents	4,920	57,093
As at the end of the year (refer Note)		
Balance with scheduled banks-Current accounts	4,920	57,093
Closing cash and cash equivalents	4,920	57,093

For R G D & Co.
Chartered Accountants
ICAI FRN: 116125W

For and on behalf of
Ignis Capital Advisors Limited

Rajesh G. Dasija
Proprietor
Mem. No. 100380

Chirag Doshi
Non-Executive Director
DIN: 09187523

Giri Krishnaswamy
Whole Time Director
DIN: 05238555

Date: April 19, 2024
Place: Mumbai

Ignis Capital Advisors Limited
Statement of Changes in Equity
(Currency: Indian Rupees in Thousands)

A. Equity Share Capital
For the year ended March 31, 2024

Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
100	-	100	48,733	48,833

For the year ended March 31, 2023

Balance at the beginning of the current reporting year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
100	-	100	-	100

B. Other Equity
For the year ended March 31, 2024

Particulars	Reserves and Surplus									Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	
Balance at the beginning of the current reporting year	-	-	-	-	-	(51)	-	-	-	(51)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	-	-	-	-	-	(51)	-	-	-	(51)
Issue of equity shares	-	-	-	1,267	-	-	-	-	-	1,267
Total Comprehensive Income for the current year	-	-	-	-	-	1,126	-	-	-	1,126
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-
Balance at the end of the year	-	-	-	1,267	-	1,075	-	-	-	2,342

For the year ended March 31, 2023

Reserves and Surplus

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Total
Balance at the beginning of the current reporting year	-	-	-	-	-	44	-	-	-	44
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	-	-	-	-	-	44	-	-	-	44
Total Comprehensive Income for the current year	-	-	-	-	-	(95)	-	-	-	(95)
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-
Balance at the end of the year	-	-	-	-	-	(51)	-	-	-	(51)

The accompanying notes are an integral part of these financial statements

For R G D & Co.
Chartered Accountants
ICAI FRN: 116125W

For and on behalf of
Ignis Capital Advisors Limited

Rajesh G. Dasija
Proprietor
Mem. No. 100380

Chirag Doshi
Non-Executive Director
DIN: 09187523

Giri Krishnaswamy
Whole Time Director
DIN: 05238555

Date: April 19, 2024
Place: Mumbai

2. Property, Plant & Equipment

Particulars	Computer	Furniture & Furniture	Office Equipment	Total
Gross Block				
Balance as at April 1, 2022	-	-	-	-
Additions	21	29	2	52
Disposals	-	-	-	-
Balance as at March 31, 2023	21	29	2	52
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2024	21	29	2	52
Accumulated depreciation				
Balance as at April 1, 2022	-	-	-	-
Depreciation charge for the year	1	0	0	1
Disposals	-	-	-	-
Balance as at March 31, 2023	1	0	0	1
Depreciation charge for the year	7	3	0	10
Disposals	-	-	-	-
Balance as at March 31, 2024	7	3	0	11
Net Block				
Balance as at April 1, 2023	20	29	2	51
Balance as at March 31, 2024	13	26	2	41

Ignis Capital Advisors Limited
Notes to financial statements for the year ended March 31, 2024
(Currency: Indian Rupees in Thousands)

	As at March 31,	As at March 31,
3. Deferred Tax Assets (Net)		
Deferred Tax asset on account of :		
Provision for Employee Benefit Obligations	293	105
Disallowance u/s 40(a)(ia) of Income Tax Act, 1961	45	-
Deferred Tax liability on account of :		
Depreciation	(1)	(1)
Total	337	104

	As at March 31,	As at March 31,
4. Trade receivables		
Trade Receivables considered good - Unsecured	-	-
Unbilled Debtors	800	-
Total	800	-

4.a Trade Receivables ageing schedule as at March 31, 2024

Parrticulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	800	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-

Trade Receivables ageing schedule as at March 31, 2023

Parrticulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-

	As at March 31,	As at March 31,
5. Cash and cash equivalents		
Balances with banks:		
- in current accounts	4,920	57,093
Total	4,920	57,093

	As at March 31,	As at March 31,
6. Loans and advances		
Inter-Corporate Deposit(s), to a related party	50,000	-
Total	50,000	-

	As at March 31,	As at March 31,
7. Other Financial Assets		
Security Deposits	20	20
Recoverable From Trust	118	-
Total	138	20

	As at March 31,	As at March 31,
8. Current Tax Assets (Net)		
Tax deducted at source and Advance Tax (Net of provisions of Rs. 55 (P.Y. Rs. 671) (in '000))	2,400	2,099
Total	2,400	2,099

Ignis Capital Advisors Limited
Notes to financial statements for the year ended March 31, 2024
(Currency: Indian Rupees in Thousands)

9. Other Current Assets

	As at March 31,	As at March 31,
Prepaid Expenses	3	3
Total	3	3

10. Share capital

	As at March 31,	As at March 31,
Authorised shares		
50,50,000 equity shares of Rs.10 each (P.Y. 50,50,000 equity shares of Rs. 10 each)	50,500	50,500
	50,500	50,500
Issued, subscribed and fully paid-up shares		
48,83,295 equity shares of Rs.10 each fully paid up (P.Y. 10,000 equity shares of Rs. 10 each fully paid up)	48,833	100
Total of Share Capital	48,833	100

10.a Reconciliation of shares outstanding at the beginning and at the end of the year

	As at March 31, 2024 No. of shares	As at March 31, 2024 Amount	As at March 31, 2023 No. of shares	As at March 31, 2023 Amount
For equity shares:				
Number of shares Outstanding at beginning of the year	10,000	100	10,000	100
Add: Shares issued during the year	48,73,295	48,733	-	-
Number of shares Outstanding at the end of the year	48,83,295	48,833	10,000	100

10.b Rights, preferences and restrictions attached to shares

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.

10.c Particulars of shareholders holding more than 5% of aggregate shares

	As at March 31, 2024 No. of shares	As at March 31, 2024 %	As at March 31, 2023 No. of shares	As at March 31, 2023 %
Equity shares				
Centrum Financial Services Limited	48,83,289	100.00%	-	-
Centrum Capital Limited	-	-	9,994	99.94%
Total	48,83,289	100.00%	9,994	99.94%

10.d Particulars of Shareholding of Promoters

Shares held by promoters

Promoter name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	%of total shares	% Change during the year	No. of Shares	%of total shares	% Change during the year
Centrum Financial Services Limited	48,83,289	100.00%	100.00%	-	-	-
Centrum Capital Limited	-	-	-	9,994	99.90%	99.90%

11. Other Equity

	As at March 31,	As at March 31,
Securities Premium		
Opening Balance	-	-
Received during the year	1,267	-
Closing Balance	1,267	-
Retained Earnings		
Opening Balance	(51)	44
Profit / (Loss) for the year	938	(245)
Other comprehensive income for the year	188	150
	1,075	(51)
Total Other Equity	2,342	(51)

12. Short Term Borrowings

	As at March 31,	As at March 31,
-From Related Parties	-	50,000
	-	50,000

Ignis Capital Advisors Limited
Notes to financial statements for the year ended March 31, 2024
(Currency: Indian Rupees in Thousands)

13. Provisions	Non-Current	Current	Non-Current	Current
	As at March 31,	As at March 31,	As at March 31,	As at March 31,
Provision for Employee Benefits				
- Provision for Gratuity	1,047	116	1,827	194
	1,047	116	1,827	194

14. Trade payables	As at March 31,	As at March 31,
	Trade payables	
- Total Outstanding dues of Micro Enterprises & Small Enterprises	3	-
- Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	155	31
Total	158	31

* Disclosure of payable to vendors as defined under the MSMSED Act is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

Trade Payables ageing schedule as on March 31, 2024

Particulars	Outstanding as on March 31, 2024 from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	3	-	-	-	3
(ii)Others	155	-	-	-	155
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding as on March 31, 2023 from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-
(ii)Others	31	-	-	-	31
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

15. Other Current liabilities	As at March 31,	As at March 31,
	Statutory dues	318
Accrued Expenses	825	949
Provision for Incentive to employee	5,000	5,100
Total	6,143	7,269

16. Revenue from operations	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
	Sale of Services (Net of Goods and Services Tax of Rs. 3,537 (in '000)(P.Y. Rs. 4,986 (in '000)) (Gross of Tax deducted at source of Rs. 1965 (in '000) (P.Y. Rs. 2770 (in '000))	20,450
Total	20,450	30,400

17. Other Income	For the Year Ended March 31,	For the Year Ended March 31,
	Net gain or loss on foreign currency transaction and translation	-
Interest on Income Tax Refund	94	28
Interest Income (Gross Tax deducted at source of Rs. 490 (in '000) (P.Y. Rs. NIL))	4,902	-
Total	4,996	73

18. Employee benefits expense	For the Year Ended March 31,	For the Year Ended March 31,
	Salaries and Wages	19,737
Gratuity Expenses (Net)	528	536
Staff Welfare expenses	241	202
Total	20,506	24,764

Ignis Capital Advisors Limited
Notes to financial statements for the year ended March 31, 2024
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	For the Year Ended March 31,	For the Year Ended March 31,
19. Depreciation		
Depreciation of tangible assets	10	1
	10	1
	For the Year Ended March 31,	For the Year Ended March 31,
20. Finance Cost		
Interest Expense	410	18
Total	410	18
21. Other expenses		
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Audit Fees	126	106
Balance written off	-	1,049
Bank Charges	0	0
Business Development Expenses	-	10
Conveyance Expenses	53	23
Custody Fees	20	22
Electricity Expenses	184	140
Hotel Expenses	41	55
Insurance - Staff	88	284
Legal and professional fees	1,571	959
Office Expenses	152	135
Postage and Courier	-	1
Printing and Stationery Expenses	2	5
Rent	747	1,139
Rates and taxes	16	617
Repairs and Maintenance	1	4
Subscription Charges	339	281
Telephone and Internet Charges	16	16
Travelling Expense	131	213
Website and software expenses	273	195
Total	3,760	5,255
Note: Payments to Auditor		
For Statutory Audit	125	75
For Other Matters	0	30
Out of pocket expenses	1	1
Total	126	106
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
22. Tax Expense		
Current tax	(55)	(671)
Adjustments in respect of current income tax of earlier period	(0)	(105)
Total	(55)	(776)
Reconciliation of Taxes to the amount computed by applying statutory income tax rate to the income before taxes is summarized below	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Profit/(Loss) before income tax expense	949	585
Computed tax charge on applicable tax rates in India - Tax Rate - 25.17%	239	147
Tax effect of:		
Recognised temporary differences	(731)	109
Permanent Disallowances	-	415
Income Tax at effective tax rate	55	175
Effective Tax Rate	25.17%	25.17%

23. Earning Per Share

Particulars	For the Year Ended March 31,	For the Year Ended March 31,
i) Profit after Taxes attributable to equity shareholders	1,126	(95)
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the year (numbers)	48,83,295	10,000
iii) Weighted average number of shares outstanding at the end of the year (numbers)	37,11,574	10,000
iv) Basic earnings per share in Rs.	0.30	(9.51)
v) Diluted earning per share in Rs.	0.30	(9.51)

24. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital.

The Company has adequate cash and bank balances and no interest bearing liabilities. The Company monitors its capital by a careful scrutiny of the cash and bank balances and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of the debt equity ratio etc. may not be of any relevance to the Company.

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, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As at	As at	As at	As at
	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets (measured at amortized cost)				
Cash and cash equivalents	4,920	4,920	57,093	57,093
Trade receivables	800	800	-	-
Loans and advances	50,000	50,000	-	-
Security Deposits	20	20	20	20
Recoverable From Trust	118	118	-	-
Total	55,858	55,858	57,113	57,113
Financial Liabilities (measured at amortized cost)				
Borrowings	-	-	50,000	50,000
Trade payables	158	158	31	31
Other financial liabilities	6,143	6,143	7,269	7,269
Total	6,301	6,301	57,300	57,300

Measurement of fair value

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

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

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) Trade and Other receivables

The Company had trade and other receivables of Rs. Nil as at 31 March 2024 (31 March 2023: Rs NIL) which being short term in nature.

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

The allowance for expected credit loss on trade receivables for year ended 31 March 2024 was Rs. NIL (31 March 2023: Rs. NIL).

(ii) Loans and Advances

The Company had inter-corporate deposits of Rs. 50,000 (in '000) at 31 March 2024 (31 March 2023: Rs. NIL).

All of the entity's debt investments and certain loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(iii) Cash and bank balances

The Company held cash and bank balance of Rs. 4,919 (in '000) at 31 March 2024 (31 March 2023: Rs 53,141 (in '000)). The same are held with bank and financial institution counterparties with good credit rating therefore does not expose the Company to credit risk.

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
As at March 31, 2024			
Trade Payables	155	-	155
Other Current Liabilities	6,143	-	6,143
Total	6,298	-	6,298
As at March 31, 2023			
Trade Payables	31	-	31
Other Current Liabilities	7,269	-	7,269
Total	7,300	-	7,300

C. Cash Flow and Fair Value Interest Rate Risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to interest rate risk since there are no interest payable on borrowings.

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. Employee Benefits

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

(a) Actuarial Assumptions	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Discount rate (Per annum)	7.19%	7.41%
Expected rate of return on assets	NA	NA
Rate of increase in compensation levels (Per annum)	8.00% p.a. for the next 1 years, 8.00% p.a. for the next 1 years, starting from the 2nd year & 8.00% p.a. thereafter, starting from the 3rd year	8.00% p.a. for the next 1 years, 8.00% p.a. for the next 1 years, starting from the 2nd year & 8.00% p.a. thereafter, starting from the 3rd year
Attrition Rate (Per annum)	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
(b) Changes in the Present Value of Defined Benefit Obligation	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Opening defined benefit obligation	2,021	1,635
Interest cost	150	112
Current service cost	378	424
Past service cost	-	-
Liability Transferred In/ Acquisitions	-	-
Liability Transferred Out/ Divestments	-	-
(Gains)/ Losses on Curtailment	-	-
Liabilities Extinguished on Settlement	-	-
Benefit Paid Directly by the Employer	(1,198)	-
Benefit Paid From the Fund	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gain)/Losses on Obligations - Due to Change in Financial Assumption	17	(60)
Actuarial (Gain)/Losses on obligations- Due to Change in Experience	(205)	(90)
Closing defined benefit obligation	1,163	2,021
(c) Changes in the Fair Value of Plan Assets	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Opening fair value of plan assets	-	-
Expected Return on Plan Assets	-	-
Contributions by employer	-	-
Transfer from other Company	-	-
Transfer to other Company	-	-
Benefit paid	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan assets at the end of the year	-	-
Total Actuarial Gain / (Loss) to be recognized	-	-
(d) Amount recognized in the Balance Sheet	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Defined benefit obligation at the end of the year	(1,163)	(2,021)
Fair Value of Plan Assets at the end of the year	-	-
Amount recognized in the Balance Sheet	(1,163)	(2,021)

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Notes to financial statements for the year ended March 31, 2024
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(e) Net Interest Cost for Current Year	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Present Value of Benefit Obligation at the Beginning of the Year	2,021	1,635
Fair Value of Plan Assets at the Beginning of the Year	-	-
Net Liability/(Asset) at the Beginning	2,021	1,635
Interest Cost	150	112
Interest Income	-	-
Net Interest Cost for Current Year	150	112
(f) Expenses recognised in the Statement of Profit or Loss	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Current service cost	378	424
Interest cost	150	112
Expected return on plan assets	-	-
Past Service Cost (non vested Benefit) Recognised	-	-
Past Service Cost (vested Benefit) Recognised	-	-
Amount not recognised as asset	-	-
Actuarial (Gain)/Loss	-	-
Expenses recognised in the Statement of Profit and Loss	528	536
(g) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Actuarial (Gains)/Losses on Obligation For the Year	(188)	(150)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Year Recognized in OCI	(188)	(150)
(h) Balance Sheet Reconciliation	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Opening net liability	2,021	1,635
Expenses recognised in Statement of Profit or Loss	528	536
Expenses Recognized in OCI	(188)	(150)
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
Benefit Paid Directly by the Employer	(1,198)	-
Employer's Contribution	-	-
Net Liability/(Asset) recognised in Balance Sheet	1,163	2,021
(i) Maturity Analysis of defined benefit obligation	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
1st Following Year	116	194
2nd Following Year	113	202
3rd Following Year	109	196
4th Following Year	112	955
5th Following Year	113	97
Sum of Years 6 To 10	544	445
Sum of Years 11 and above	1,075	1,268
(j) Quantitative sensitivity analysis for significant assumptions	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Delta Effect of +1% Change in Rate of Discounting	(74)	(95)
Delta Effect of -1% Change in Rate of Discounting	84	107
Delta Effect of +1% Change in Rate of Salary Increase	45	81
Delta Effect of -1% Change in Rate of Salary Increase	(47)	(79)
Delta Effect of +1% Change in Rate of Employee Turnover	11	3
Delta Effect of -1% Change in Rate of Employee Turnover	(13)	(5)

28. Related Party Disclosures

a) Related parties with whom transactions have taken place during the year and / or there are balances outstanding as at the year end:

- (i) Key management personnel (KMP):** : Mr. Ranjan Ghosh (Non-Executive Director)
: Mr. Ashish Chhugani (Whole-Time Director)- (with effect from October 18, 2022 up to April 24, 2023) (Non-Executive Director with effect from May 29, 2021 up to October 17, 2022)
: Mr. Chirag Doshi (Whole-Time Director) - (with effect from November 01, 2021 up to June 30, 2022) (Non-Executive Director with effect from July 01, 2022)
: Mr. Giri Krishnaswamy (Whole-Time Director) - (With effect from April 24, 2023)

(ii) Details of related parties:

Description of relationship	Name of the related party
Holding Company	Centrum Financial Services Ltd (May 29, 2021 to September 30, 2021) (from June 28, 2023 onwards)
Holding Company	Centrum Capital Limited (from October 01, 2021 to June 27, 2023)
Fellow Subsidiary	Unity Small Finance Bank Limited
Fellow Subsidiary	Acorn Fund Consultants Private Limited
Fellow Subsidiary	Centrum Financial Services Ltd (from October 01, 2021 to June 27, 2023)
Fellow Subsidiary	Centrum Broking Limited
Fellow Subsidiary	Centrum Retail Services Ltd

b) Details of transactions

(Amount in Rs. '000)

Name of the related party	Description	Transaction during	Receivable /	Transaction during	Receivable /
		Year ended	(Payable)	Year ended	(Payable)
		March 31, 2024	As at	March 31, 2023	As at
		March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
Centrum Capital Limited	Loan received/ (repaid)	(50,000)	-	50,000	(50,000)
	Interest on Loan	410	-	18	(16)
	Group Term Insurance	88	-	284	-
	Reimbursement of Expenses	-	-	592	-
Unity Small Finance Bank Limited	Sale of Services	19,650	-	27,700	-
	Sale of Services under Unbilled revenue/ Trade receivables	800	800	-	-
Acorn Fund Consultants Private	Fixed Assets Purchased	-	-	52	-
Acapella Foods & Restaurants Pvt Ltd	Staff Welfare Expenses	158	-	136	-
	Staff Welfare under Provision for expenses	13	(13)	10	(10)
Centrum Financial Services Limited	Loan (inter corporate deposit) given	50,000	50,000	-	-
	Face value of Issue of Equity Shares	48,733	-	-	-
	Securities premium on Issue of Equity Shares	1,267	-	-	-
	Interest earned on Loan Granted	4,902	-	-	-
Centrum Retail Services Limited	Rent Expenses	723	-	1,124	-
	Electricity Expenses	175	-	137	-
	Telephone and Internet Charges	16	-	16	-
	Parking Charges	23	-	13	(13)
	Office Expense	2	(2)	-	-
	Electricity expenses under Provision for expenses	10	(10)	3	(3)
Centrum broking Limited	Subscription Charges	11	-	-	-
Chirag Doshi	Directors remuneration *	-	-	5,903	-
Ashish Chhugani	Directors remuneration *	621	-	4,626	-
	Reimbursement of Expenses	1	-	28	-
Giri Krishnaswamy	Director Remuneration *	2,808	-	-	-
	* does not include Provision for Bonus and Gratuity				

29. Contingent Liabilities And Commitments

Particulars	As at	As at
	March 31, 2024	March 31,
	Nil	Nil
Contingent liabilities and commitments	Nil	Nil

30. Capital And Other Commitment

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

31. Segment Reporting

The Managing Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (AS 108), for the purpose of assessing the financial performance and position of the Company, and making strategic decisions. The Company is engaged in the business of Portfolio Monitoring & Research services, which is primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM. The Company mainly operates in India and there is no reportable secondary geographical segment.

32. Ratios

Particulars	Numerator	Denominator	For the Year Ended	Ended	% Variance	Reason for variance
			March 31, 2024	March 31, 2023		
Current Ratio	Total Assets less Non-current Assets	Total Current Liabilities	9.08	1.03	781%	Decrease in Current Liabilities
Debt-Equity Ratio,	Total Borrowings	Total Equity	0.00	500.00	-100%	No borrowings in current year
Debt Service Coverage Ratio	Earnings before Interest, Depreciation/ Amortization and Taxation	Total Debt Service	NA	-0.0045	NA	No borrowings in current year
Return on Equity Ratio	Net Income - Preference Dividend	Average Shareholder's Equity	0.04	-0.99	-104%	Increase in Profit
Inventory turnover ratio	NA	NA	NA	NA	NA	
Trade Receivables turnover ratio	Total Income	Average Accounts Receivable	NA	23.90	NA	No Trade Receivables during the year
Trade payables turnover ratio,	Other Expenses	Average Accounts Payable	40.38	189.53	-79%	Decrease in expense
Net capital turnover ratio,	Total Income	Average Working Capital	0.95	17.81	-95%	Increase in Average working capital
Net profit ratio	Net profit	Total Income	0.04	0.00	-1519%	Increase in Profit
Return on Capital employed,	Earnings before Interest & tax	Capital Employed	0.02	0.01	153%	Increase in Profit
Return on investment	Total Comprehensive Income for the Year	NA	NA	NA	NA	

33. Earnings in Foreign Currency

(Amount in Rs. '000)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Other income - Portfolio Monitoring and Research services	-	2,700

34. The provisions of Section 135 (Corporate Social Responsibility) of the Companies Act, 2013 read together with the rules framed there under relating to CSR initiatives which need to be undertaken by specified companies are at present not applicable to the Company.

35. Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company:

The Company does not have any Immovable properties.

(ii) Fair Value of Investment Property:

The Company does not have any Investment Property.

(iii) Revaluation of Property, plant and equipment:

The Company has not revalued its property, plant and equipment and intangible assets during the current or previous year.

(iv) Loans or Advances in the nature of loans to Directors, KMPs, Promoters and related parties:

The Company has not granted any Loans and Advances in the nature of loans to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms of repayment.

(v) Details of Benami Property held:

There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

(vi) Borrowings against current assets:

The Company does not have any borrowings from bank or financial institution on the basis of security of current assets.

(vii) Wilful Defaulter:

The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

(viii) Relationship with Struck off Companies:

Company does not have any transaction with Companies that have been struck off under section 248 or section 560 of the Companies Act.

(ix) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction of charges pending to be registered with the Registrar of Companies.

(x) Compliance with number of layer of Companies:

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(xi) Utilisation of Borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xii) Undisclosed Income:

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

(xiii) Details of Crypto Currency or Virtual Currency:

Company has not made / traded in Crypto currency or Virtual Currency.

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

As per our report of even date

For R G D & Co.
Chartered Accountants
ICAI FRN: 116125W

For and on behalf of
Ignis Capital Advisors Limited

Rajesh G. Dasija
Proprietor
Mem. No. 100380

Chirag Doshi
Non-Executive Director
DIN: 09187523

Giri Krishnaswamy
Whole Time Director
DIN: 05238555

Date: April 19, 2024
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of Modulus Alternatives Investment Managers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Modulus Alternatives Investment Managers Limited (“the Company”), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s report including annexures to Board report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and (Indian Accounting Standard) Amendment Rules, 2021. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts as required by law been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and (Indian Accounting Standard) Amendment Rules, 2021;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to financial statements;
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.
 - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 32 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Pikashoo Mutha

Partner

Membership Number: 131658

UDIN: 24131658BKFPW2268

Place of Signature: Mumbai

Date: May 02, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Modulus Alternatives Investment Managers Limited ("the company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i)(a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (i)(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i)(c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i)(d) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2024. The Company has not capitalized any intangible assets in the books of the Company.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii)(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (iii)(c)(d)(e) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), clause 3(iii)(d) and clause 3(iii)(e) of the Order is not applicable to the Company.
- (iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii)(b) There are no dues of goods and services tax, provident fund, income tax, and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised..
- (xi)(a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii)(a)(b)(c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv)(a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.
- (xiv)(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) There are no other Companies which is part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 495.88 lakhs in the current year and amounting to Rs. 42.92 lakhs in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 35 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.
- We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (xx)(b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

S.R. BATLIBOI & CO. LLP

Chartered Accountants

- (xxi) The Company does not have any subsidiary, associate or joint venture and is not required to prepare consolidated financial statements. Accordingly, the requirement to report on clause 3(xxix) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Pikashoo Mutha

Partner

Membership Number: 131658

UDIN: 24131658BKFPW2268

Place of Signature: Mumbai

Date: May 02, 2024

Modulus Alternatives Investment Managers Limited
Balance sheet as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-Mar-24	As at 31-Mar-23
ASSETS			
Financial Assets			
Cash and cash equivalents	3	93.35	30.22
Investment	4	109.22	-
Trade Receivable	5	1.68	-
Other Financial assets	6	0.45	32.54
		204.70	62.76
Non-financial Assets			
Current Tax Assets (net)	7	26.81	123.52
Property, Plant and Equipment	8	6.56	1.39
Capital Work in Progress - Intangible		-	3.68
Other non-financial assets	9	512.31	2.57
		545.68	131.16
Total Assets		750.38	193.92
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade Payables	10		
(i) total outstanding dues of micro enterprises and small enterprises		9.94	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		23.58	0.25
Borrowings	11	150.00	1,080.00
Other financial liabilities	12	192.88	97.36
		376.40	1,177.63
Non-Financial Liabilities			
Provisions	13	34.15	26.59
Other non-financial liabilities	14	211.57	14.56
		245.72	41.15
EQUITY			
Equity Share capital	15	1,700.00	51.00
Other Equity	16	(1,571.74)	(1,075.86)
		128.26	(1,024.86)
Total Liabilities and Equity		750.38	193.92

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number :301003E/E300005

For and on behalf of the Board of Directors
Modulus Alternatives Investment Managers Limited

per **Pikashoo Mutha**
Partner
Membership No.:131658
Place : Mumbai
Date : 02nd May, 2024

Rakshat Kapoor
Director
DIN : 09308215

Indranil das
Chief Financial Officer
Place : Mumbai
Date : 02nd May, 2024

Chandir Gidwani
Director
DIN : 00011916

Parthasarathy Iyengar
Company Secretary

Modulus Alternatives Investment Managers Limited
Statement of Profit and Loss for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year Ended 31-Mar-24	Year Ended 31-Mar-23
REVENUE			
Revenue from operations	17	734.45	609.52
Other income	18	18.66	3.51
Total revenue		753.11	613.03
EXPENSES			
Finance costs	19	186.55	135.14
Fees and commission expenses	20	103.92	-
Employee benefit expense	21	747.70	396.14
Depreciation and amortisation expense	22	1.65	0.48
Other expenses	23	208.06	121.89
Total expenses		1,247.88	653.65
Profit / (loss) before tax		(494.77)	(40.62)
Tax expense			
Profit / (loss) for the year - (A)		(494.77)	(40.62)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
I. Remeasurement of Defined Benefit scheme		(1.11)	(2.30)
II. Income tax effect		-	-
Other Comprehensive Income for the year (net of tax) - (B)		(1.11)	(2.30)
Total Comprehensive Income / (loss) for the year (A+B)		(495.88)	(42.92)
Earnings per Equity Shares			
Basic		(97.01)	(7.96)
Diluted		(97.01)	(7.96)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number :301003E/E300005

For and on behalf of the Board of Directors
Modulus Alternatives Investment Managers Limited

per **Pikashoo Mutha**
Partner
Membership No.:131658
Place : Mumbai
Date : 02nd May, 2024

Rakshat Kapoor
Director
DIN : 09308215

Chandir Gidwani
Director
DIN : 00011916

Indranil das
Chief Financial Officer
Place : Mumbai
Date : 02nd May, 2024

Parthasarathy Iyengar
Company Secretary

Modulus Alternatives Investment Managers Limited
Cash Flow Statement for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(494.77)	(40.62)
Add / (Less) : Adjustments for		
Interest expenses	186.55	135.14
Fair Value Gain/(Loss)	(9.22)	
Depreciation/Amortisation	1.65	0.48
Operating loss before working capital changes	(315.79)	95.00
Adjustments for:		
Decrease/(Increase) in other financial asset	30.41	(32.44)
Decrease/(Increase) in other non financial asset	(509.74)	5.14
Increase/(Decrease) in trade payable	33.25	(43.50)
Increase/(Decrease) in other financial liabilities	95.52	10.38
Increase/(Decrease) in other non-financial liabilities	197.01	(15.75)
Increase/(Decrease) in provisions	6.46	6.43
Cash used in operations	(462.88)	25.26
Income Tax Paid (net of refund)	(96.71)	(2.50)
Net cash used in Operating Activities (A)	(366.17)	27.76
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(3.15)	(5.07)
Investment in Units of private equity	(100.00)	-
Net cash used in Investing Activities (B)	(103.15)	(5.07)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-term borrowings	1,765.00	961.00
Repayment of Short-term borrowing	(2,695.00)	(861.55)
Interest paid	(186.55)	(135.14)
Issue of equity shares	1,649.00	-
Net cash generated from Financing Activities (C)	532.45	(35.69)
Net increase in cash and cash equivalents (A+B+C)	63.13	(13.00)
As at the beginning of the year	30.22	43.22
Closing cash and cash equivalents	93.35	30.22
As at the end of the year (refer note 3)		
Balance with scheduled banks-Current accounts	93.35	30.22
Closing cash and cash equivalents	93.35	30.22

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

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number :301003E/E300005

For and on behalf of the Board of Directors

Modulus Alternatives Investment Managers Limited

per **Pikashoo Mutha**

Partner

Membership No.:131658

Place : Mumbai

Date : 02nd May, 2024

Rakshat Kapoor

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Director

DIN : 00011916

Indranil das

Chief Financial Officer

Place : Mumbai

Date : 02nd May, 2024

Parthasarathy Iyengar

Company Secretary

Modulus Alternatives Investment Managers Limited
Statement of Changes in Equity for the Year ended 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at 1st April, 2022	51.00
Changes in equity share capital during the year	-
Balance as 31st March, 2023	51.00
Changes in equity share capital during the Period	1,649.00
Balance as at 31st March, 2024	1,700.00

B. Other Equity

Particulars	Retained Earnings	Total Amount
As at 1st April, 2022	(1,032.94)	(1,032.94)
Profit /(Loss) for the year	(40.62)	(40.62)
Other comprehensive income	(2.30)	(2.30)
Balance as at 31st March , 2023	(1,075.86)	(1,075.86)
Profit /(Loss) for the year	(494.77)	(494.77)
Other comprehensive income	(1.11)	(1.11)
Balance as at 31st March , 2024	(1,571.74)	(1,571.74)

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number :301003E/E300005

For and on behalf of the Board of Directors
Modulus Alternatives Investment Managers Limited

per Pikashoo Mutha
Partner
Membership No.:131658
Place : Mumbai
Date : 02nd May, 2024

Rakshat Kapoor
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Chief Financial Officer
Place : Mumbai
Date : 02nd May, 2024

Parthasarathy Iyengar
Company Secretary

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

1. CORPORATE INFORMATION

Modulus Alternatives 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

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(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.

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.

(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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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 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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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.

Deferred tax is will be recognised only when it is probable that the future taxable profits will be available against which unused tax losses and unsettled tax credits cab be utilised as stated in Ind AS 12- Income taxes

(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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(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.

(ii) Subsequent Measurement

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on de-recognition is recognised in the Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

(iii) 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:

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

(iv) 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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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
- 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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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.

(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.

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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

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.

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.

Modulus Alternatives Investment Managers Limited
Summary of material accounting policies and other explanatory information (notes)
forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

- 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.

3. CASH AND CASH EQUIVALENTS	As at	As at
	31-Mar-24	31-Mar-23
Balances with Banks - In current accounts	93.35	30.22
Total	93.35	30.22
	As at	As at
	31-Mar-24	31-Mar-23
4. Investment		
Investment in Units of private equity at FVTPL	109.22	-
Total	109.22	-
	As at	As at
	31-Mar-24	31-Mar-23
5. Trade Receivable		
Sundry Debtors	1.68	-
Total	1.68	-

Particulars	Trade receivables ageing schedule for the year ended as on March 31, 2024					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade receivables	1.68	-	-	-	-	1.68
Less: Impairment loss allowance	-	-	-	-	-	-
Total Trade Receivable	1.68	-	-	-	-	1.68

Particulars	Trade receivables ageing schedule for the year ended as on March 31, 2023					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	Total
Undisputed Trade receivables	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total Trade Receivable	-	-	-	-	-	-

6. OTHER FINANCIAL ASSETS	As at	As at
	31-Mar-24	31-Mar-23
Security deposits	0.20	0.10
Initial Contribution - ICOT	0.10	0.10
Others - Reimbursement of Expense	-	32.34
Others - Advances	0.15	-
Total	0.45	32.54
7. CURRENT TAX ASSETS (NET)	As at	As at
	31-Mar-24	31-Mar-23
Advance Tax [Net off Provision for Tax - Nil]	26.81	123.52
Total	26.81	123.52

8. PROPERTY, PLANT AND EQUIPMENT

Particulars	Computers - Hardware	Office equipments	Total
As at 1st April, 2022	2.94	0.12	3.06
Additions	1.39	-	1.39
Disposals	0.06	-	0.06
As at 31st March 2023	4.27	0.12	4.39
Additions	6.76	0.06	6.82
Disposals	-	-	-
As at 31st March 2024	11.03	0.18	11.21
Accumulated Depreciation			-
As at 1st April, 2022	2.53	0.05	2.58
Additions	0.05	0.01	0.06
Disposals	-	-	-
As at 31st March 2023	2.92	0.07	3.00
Additions	1.63	0.03	1.65
Disposals	-	-	-
As at 31st March 2024	4.55	0.10	4.65
Net Block			
As at 31st March 2024	6.48	0.08	6.56
As at 31st March 2023	1.34	0.05	1.39

9. OTHER NON-FINANCIAL ASSETS

	As at 31-Mar-24	As at 31-Mar-23
Prepaid Expense	504.59	-
Balances with Government	7.72	2.57
Total	512.31	2.57

10. TRADE PAYABLES

	As at 31-Mar-24	As at 31-Mar-23
Undisputed dues of Micro Enterprises and Small Enterprises [#]	9.94	0.02
Undisputed dues of creditors other than Micro Enterprises and Small Enterprises [*]	23.58	0.25
Total	33.52	0.27

[#] Includes amount payable to related parties Rs 1.20 lacs (previous year NIL)

^{*} Includes amount payable to related parties Rs 23.55 lacs (previous year Rs 0.13 Lacs)

Ageing Past dues		Less than 1 year	1-2 year	2 - 3 year	More than 3 years	Total
As at 31st March 2024	Undisputed dues - MSN	9.94	-	-	-	9.94
	Undisputed dues - Oth	23.58	-	-	-	23.58
As at 31st March 2023	Undisputed dues - MSN	0.02	-	-	-	0.02
	Undisputed dues - Oth	0.25	-	-	-	0.25

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

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	9.94	0.02
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		

11. BORROWINGS

	As at 31-Mar-24	As at 31-Mar-23
(At amortised cost, within India)		
Unsecured Loans from related parties	150.00	1,080.00
Total	150.00	1,080.00

12. OTHER FINANCIAL LIABILITIES

	As at 31-Mar-24	As at 31-Mar-23
Employee Benefits	156.56	73.43
Other Dues - Provision of Expense*	36.32	23.93
Total	192.88	97.36

* Other Dues -Includes amount payable to related parties Rs 1.02 lacs (previous year Rs 0.35 Lacs)

13. PROVISIONS

	As at 31-Mar-24	As at 31-Mar-23
Provision for employee benefits		
Provisions for gratuity	21.05	17.16
Provisions for compensated absences	13.10	9.43
Total	34.15	26.59

14. OTHER NON-FINANCIAL LIABILITIES

	As at 31-Mar-24	As at 31-Mar-23
Statutory dues	22.74	14.56
Deferred Income	188.83	-
Total	211.57	14.56

15. EQUITY SHARE CAPITAL

	As at 31-Mar-24	As at 31-Mar-23
Authorized		
3,00,00,000 equity shares of Rs. 10 each (PY 10,00,000)	3,000.00	100.00
Total	3,000.00	100.00
Issued, subscribed and fully paid up		
1,70,00,000 equity shares of Rs. 10 each (PY 5,10,000)	1,700.00	51.00
Total	1,700.00	51.00

15.a Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31-Mar-24 No of shares	As at 31-Mar-23 No of shares
For equity shares:		
Number of shares Outstanding at beginning of the year	5,10,000	5,10,000
Shares issued during the year	1,64,90,000	-
Balance at the end of the year	1,70,00,000	5,10,000

15.b Rights, preferences and restrictions attached to shares

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.

15.c Particulars of shareholders holding more than 5% of

	As at 31-Mar-24 No of shares	As at 31-Mar-23 No of shares
Equity shares		
Centrum Capital Limited with its nominees - Promoter*	1,40,00,000	5,10,000
Alok Agarwal	30,00,000	-
Total	1,70,00,000	5,10,000

*During the year additional shares were issued (previous year - No change)

16. OTHER EQUITY

	As at 31-Mar-24	As at 31-Mar-23
Deficit in Statement of Profit and Loss		
Balance as at the beginning of the year	(1,075.86)	(1,032.94)
Add: Loss for the year	(495.88)	(42.92)
Total	(1,571.74)	(1,075.86)

Modulus Alternatives Investment Managers Limited**Notes to the Financial Statements for the Year ended and as at 31st March 2024****(All amounts in INR Lakhs, unless otherwise stated)**

	Year ended 31-Mar-24	Year ended 31-Mar-23
17. REVENUE FROM OPERATIONS		
Management Fees	674.78	609.52
Set Up Fees	34.67	-
Fees - Others	25.00	-
Total	734.45	609.52
18. OTHER INCOME		
Interest from income tax refund	9.44	-
Other interest income	-	3.51
Other at FVTPL - Fair Value Gain/(Loss)	9.22	-
Total	18.66	3.51
19. FINANCE COSTS		
Interest on borrowings	186.55	135.14
Total	186.55	135.14
20. FEES AND COMMISSION EXPENSES		
Distribution fee	46.51	-
Set up fee	35.17	-
Distribution - Trail Fees	22.25	-
Total	103.92	-
21. EMPLOYEE BENEFITS EXPENSE		
Salaries, allowances and bonus	720.90	378.24
Contribution to provident and other funds	20.81	14.41
Staff welfare expenses	5.99	3.49
Total	747.70	396.14
22. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on property, plant and equipment	1.65	0.48
Total	1.65	0.48

Modulus Alternatives Investment Managers Limited**Notes to the Financial Statements for the Year ended and as at 31st March 2024****(All amounts in INR Lakhs, unless otherwise stated)**

23. OTHER EXPENSES	Year ended 31-Mar-24	Year ended 31-Mar-23
Rent	24.15	12.28
Electricity	2.80	1.71
Business promotion expenses	8.64	4.80
Travelling Expense - Domestic	13.34	-
Conveyance expense	9.09	-
Printing and stationery	4.44	-
Legal & professional fees	30.86	14.45
Recruitment fees	10.56	22.25
Technology Expense	8.77	-
Director's sitting fees	3.00	-
Audit fees	4.00	4.00
Stamp duty, registration and filing fees	29.05	0.94
Office expenses	6.27	4.03
Shared support fees	50.00	50.00
Miscellaneous expenses	3.09	7.43
Total	208.06	121.89
Note: Auditors' remuneration		
Audit Fees - Statutory Audit	4.00	4.00
Other Fees	-	-
Total	4.00	4.00

24. 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 year ended March 31, 2024.

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-24	As at 31-Mar-23
Borrowings		
Long term and Short term borrowings	150.00	1,080.00
Less: cash and cash equivalents	93.35	30.22
Adjusted net debt	56.65	1,049.78
Total Equity	128.26	(1,024.86)
Adjusted net debt to adjusted equity ratio	44%	-102%

25. 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-24	Year ended 31-Mar-23
Employer's Contribution to Provident Fund	19.87	13.79
Provident Fund Administration charges	0.83	0.57

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 funded plan.

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

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Current Service Cost	6.07	3.95
Past Service Cost	-	-
Expected return on plan assets	-	-
Interest cost on benefit obligation	1.27	0.78
Total Expenses	7.34	4.73

(ii) Expenses recognised in OCI

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Actuarial (Gains)/Losses on Obligation For the year	1.70	0.74
Actuarial (Gain)/ Losses due to Change in Experience	(0.59)	1.56
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	-	-
Return on Plan Assets (Greater) / Less than Discount rate	-	-
Total Expenses	1.11	2.30

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

Particulars	As at 31-Mar-24	As at 31-Mar-23
Present value of defined benefit obligation at the end of the year	(26.20)	(17.15)
Fair Value of Plan Assets at the end of the year	5.16	-
Funded status [Surplus/(Deficit)]	(21.04)	(17.15)
Net (Liability)/Asset Recognized in the Balance Sheet	(21.04)	(17.15)

Modulus Alternatives Investment Managers Limited
Notes to the Financial Statements for the Year ended and as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)
(iv) Movements in present value of defined benefit obligation

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Present value of defined benefit obligation at the beginning of the year	17.15	11.68
Current Service Cost	6.07	3.95
Past service cost	-	-
Interest Cost	1.27	0.78
Actuarial (Gain) / Losses due to change in financial assumptions	2.38	(0.82)
Actuarial (Gain) / Losses due to experience	(0.59)	1.56
Actuarial (Gain)/ Losses due to Change in Demographic Assumptions	(0.08)	-
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	26.20	17.15

(v) Movements in fair value of the plan assets

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Opening fair value of plan assets	-	-
Expected returns on Plan Assets	0.16	-
Actuarial (Gain)/Loss on Plan assets	-	-
Contribution from Employer	5.00	-
Benefits paid	-	-
Closing fair value of the plan asset	5.16	-

(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-24	As at 31-Mar-23
1st following year	2.79	1.49
2nd following year	2.70	1.83
3rd following year	2.53	1.77
4th following year	2.63	1.72
5th following year	2.90	1.89
Sum of years 6-10	11.79	7.55
Sum of years 11 and above	19.46	14.69

(vii) Quantitative sensitivity analysis for significant assumptions

Particulars	As at 31-Mar-24	As at 31-Mar-23
Increase/(decrease) on present value of defined benefit obligation at the end of the year		
(i) +100 basis points increase in discount rate	(1.51)	(1.04)
(ii) -100 basis points decrease in discount rate	1.69	1.17
(iii) +100 basis points increase in rate of salary increase	0.86	0.53
(iv) -100 basis points decrease in rate of salary increase	(0.84)	(0.56)
(v) +100 basis points decrease in rate of Employee Turnover	0.08	0.11
(v) -100 basis points decrease in rate of Employee Turnover	(0.08)	(0.13)
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	Year ended 31-Mar-24	Year ended 31-Mar-23
Discount rate	7.19%	7.41%
Salary Growth rate		
- for Next 1 years	10.00%	8.00%
- for Next 2 years	-	-
- from 3rd year onwards	-	-
- from 4th year onwards	-	-
Rate of Employee Turnover	12.00%	10.00%
Mortality	IALM (2012-14)	IALM (2012-14)

(ix) Risks associated with Defined Benefit Plan
1) 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.

2) 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.

3) 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.

4) 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.

Modulus Alternatives Investment Managers Limited
Notes to the Financial Statements for the Year ended and as at 31st March 2024
(All amounts in INR Lakhs, unless otherwise stated)

(x) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the period ending 31 March 2024 are Rs Nil.

26. 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 Broking Limited
Centrum Wealth Limited
Acorn Fund Consultants Private Limited (Till March 2023)
Acapella Foods & Restaurants Pvt Ltd (From May 2022)
Club 7 Private Limited
Chandir Gidwani
Rakshat Kapoor (From 17th November 2022)
Vinod Rai (From 17th November 2022)
Parthasarathy Iyengar (From 22nd March 2024)
Indranil das (From 22nd March 2024)

3. Other Related Parties (members of same group)

4. Key Managerial Person

(ii) Details of transactions

Name of the related party	Description	Transaction during		Receivable / (Payable)	
		Year ended 31-Mar-24	Year ended 31-Mar-23	As at 31-Mar-24	As at 31-Mar-23
Acorn Fund Consultants Private Limited	Reimb. Of Insurance Expenses	-	0.29	-	-
Centrum Capital Limited	Inter Corporate Deposit (Loan taken)	1,765.00	-	-	-
	Inter Corporate Deposit (Loan repaid)	1,615.00	821.55	(150.00)	-
	Interest expenses on loan	106.82	7.90	-	-
	Reimbursement of Expense	2.15	2.31	-	-
	Business Promotion Expense	-	3.46	-	-
	Issue of equity shares	1,349.00	-	-	-
Centrum Capital Advisors Limited	ICD (Loan taken)	-	6.00	-	-
	ICD (Loan repaid)	-	40.00	-	-
	Interest expenses on loan	-	2.03	-	-
	ICD (Loan given)	7.00	-	-	-
	ICD received back	7.00	-	-	-
	Interest income on loan	0.01	-	-	-
	Reimbursement of Expense - Asset transfer	0.06	-	-	-
Centrum Retail Services Limited	ICD (Loan taken)	-	955.00	-	-
	ICD (Loan repaid)	1,080.00	-	-	(1,080.00)
	Interest expenses on loan	79.73	125.20	-	-
	Common cost sharing expenses	27.21	14.14	(0.23)	(0.28)
	Shared support fees	50.00	50.00	-	-
Centrum Wealth Limited	Distribution fee	503.85	(3.51)	(23.55)	-
	Set up fee	29.83	-	(0.17)	-
	Reimbursement of Expense - Asset transfer	0.71	-	-	-
Centrum Broking Limited	Reimbursement of Expense	0.22	10.00	-	-
Acapella Foods & Restaurants Pvt Ltd	Caffeteria expense	4.89	1.89	(0.44)	(0.22)
Rakshat Kapoor	Short Term employee Benefites	222.00	197.00	-	-
Indranil Das	Short Term employee Benefites	1.32	-	-	-
Club7 Holidays Limited	Travelling Expenses	1.36	-	(1.38)	-
Vinod Rai	Director Sitting Fees	3.00	1.20	-	-

27. FAIR VALUE MEASUREMENTS

Financial Instruments by category

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

Particulars	As at March 31, 2024			
	Fair Value			
	Carrying Value	Fair Value Through P&L	Fair Value Through OCI	Amortized Cost
Financial Assets (measured at amortized cost)				
Cash and cash equivalents	93.35	-	-	93.35
Investment	109.22	109.22	-	-
Trade Receivable	1.68	-	-	1.68
Other financial assets	0.45	-	-	0.45
Total	204.70	109.22	-	95.48
Financial Liabilities (measured at amortized cost)				
Borrowings	150.00	-	-	150.00
Trade payables	33.52	-	-	33.52
Other financial liabilities	192.88	-	-	192.88
Total	376.40	-	-	376.40

Particulars	As at March 31, 2023			
	Fair Value			
	Carrying Value	Fair Value Through P&L	Fair Value Through OCI	Amortized Cost
Financial Assets (measured at amortized cost)				
Cash and cash equivalents	30.22	-	-	30.22
Investment	-	-	-	-
Trade Receivable	-	-	-	-
Other financial assets	32.54	-	-	32.54
Total	62.76	-	-	62.76
Financial Liabilities (measured at amortized cost)				
Borrowings	1,080.00	-	-	1,080.00
Trade payables	0.27	-	-	0.27
Other financial liabilities	97.36	-	-	97.36
Total	1,177.63	-	-	1,177.63

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.

FAIR VALUE HIERARCHY OF ASSETS AND LIABILITIES

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial instruments measured at fair value - recurring fair value measurements

Particulars	As at March 31, 2024				As at March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets:-								
Financial investments measured at FVTPL								
- Units of private equity	-	109.22	-	109.22	-	-	-	-
Total financial assets	-	109.22	-	109.22	-	-	-	-
Financial Liabilities:-								
Financial Liabilities measured at FVTPL								
Total financial liabilities	-	-	-	-	-	-	-	-

Valuation techniques used to determine fair value

Financial Instrument	Valuation technique
Alternative Investment Funds	Net Asset Value (NAV) provided by issuer fund which are arrived at based on valuation from independent valuer for unlisted portfolio companies and price of recent investments

28. 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 93.35 Lakhs at March 31, 2024. 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 INR2.13 Lakhs at March 31, 2024 from the fund which is managed by the company hence no risk exposure and no provision is 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
As at 31st March 24			
Short Term Borrowings	150.00	-	150.00
Trade Payables	23.58	-	23.58
Other financial liabilities	192.88	-	192.88
Total	366.46	-	366.46
As at 31st March 23			
Short Term Borrowings	1,080.00	-	1,080.00
Trade Payables	0.25	-	0.25
Other financial liabilities	97.36	-	97.36
Total	1,177.61	-	1,177.61

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 short-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. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return

Particulars	As at March 31, 2024				As at March 31, 2023			
	Impact on profit before tax		Impact on OCI		Impact on profit before tax		Impact on OCI	
	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
(a) Equity Instruments	-	-	-	-	-	-	-	-
(b) Debt securities	-	-	-	-	-	-	-	-
(c) Preference shares	-	-	-	-	-	-	-	-
(d) Units of private equity	1.09	(1.09)	-	-	-	-	-	-
(e) Options(net)	-	-	-	-	-	-	-	-

E. 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 R

29. EARNING PER SHARE

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
i) Profit /(loss) after Taxes attributable to equity shareholders	(494.77)	(40.62)
ii) Number of equity shares of Rs.10 each issued and outstanding at the end of the year (nos)	1,70,00,000	5,10,000
iii) Weighted average number of shares outstanding at the end of the year (nos)	7,71,967	5,10,000
iv) Basic earnings per share	(64.09)	(7.96)
v) Diluted earning per share	(64.09)	(7.96)

30. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Capital Commitment		
Other Commitments	37.33	11.02
Contingent liabilities and commitments	Nil	Nil

Other Commitment: Includes trail placement fees payable amounting of Rs. 37.33.

31. SEGMENT REPORTING

Modulus Alternatives 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.

32. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with

33. 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.

34. During the year, Company has incurred loss of Rs. 495.88 lakhs and further company has accumulated losses of Rs. 1571.74 lakhs as at March 31, 2024 (previous year Rs. 1075.86 lakhs) as at the end of the financial year. The net worth of the Company turned positive during the year on receipt of equity capital. The financial statements are prepared on going concern basis and are 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.

Modulus Alternatives Investment Managers Limited

Notes to the Financial Statements for the Year ended and as at 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

35. Ratio :

Particulars	Numerator	Denominator	31-03-2024	31-03-2023	Variance (%)
Current Ratio (1)	Current Assets	Current Liabilities	0.47	0.58	(19)%
Debt Equity Ratio (2)	Total Liabilities	Shareholder's Equity	1.17	(1.05)	211%
Debt Service Coverage Ratio (3)	Earning available for debt service	Debt Service	(1.65)	0.69	(340)%
Return on Equity Ratio (4)	Profit/(loss) after tax	Average shareholders equity	(1.11)	(0.04)	(2486)%
Net Capital Turnover Ratio (3)	Revenue	Average Working Capital	(3.29)	(12.95)	(75)%
Net Profit Ratio (3)	Net Profit	Revenue	(0.68)	(0.07)	(859)%
Return on Capital employed (2)	Earning before interest and taxes	Capital Employed	(1.39)	(1.96)	(29)%
Return on Investment (5)	Return/Profit/Earnings	Investment	0.09	-	100%

(1) During the year company has paid upfront fees for Distribution, and it has been amortised over fund period cycle

(2) During the year fresh equity was infused and debt was repaid out of equity proceeds, hence favourable

(3) Increase in operating expenses during the year resulted in unfavourable ratio

(4) Losses have increased during the year and resulted in unfavourable ratio

(5) During the year Company has made investment and revenue earned from it.

36. Relationship with Struck off company

List of Companies	Nature of transactions	Balance outstanding as at March 31, 2024	Relationship with the Struck off company
-	-	-	-

As per our report of even date

For S. R. Batliboi & Co. LLP

Chartered Accountants

For and on behalf of the Board of Directors

Modulus Alternatives Investment Managers Limited

per Pikashoo Mutha

Partner

Membership No.:131658

Place : Mumbai

Date : 02nd May, 2024

Rakshat Kapoor

Director

DIN : 09308215

Chandir Gidwani

Director

DIN : 00011916

Indranil das
Chief Financial Officer

Place : Mumbai

Date : 02nd May, 2024

Parthasarathy Iyengar
Company Secretary



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Independent Auditor's Report

To,
The Members of **Unity Small Finance Bank Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Unity Small Finance Bank Limited ("the Bank"), which comprise the Balance sheet as at March 31, 2024, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 and the Companies Act, 2013, as amended ("the Act") in the manner so required for the banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2024, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Bank in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 financial statements.

Emphasis of Matter

We draw attention to Note no. 1(a)(xvi) of Schedule 18 of the financial statements, regarding the accounting treatment for subsequent measurement of fair value changes relating to the restructured liabilities taken over from erstwhile PMC under the Scheme of Amalgamation.

Our opinion is not modified in respect of this matter.

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

The Bank's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with the Companies (Accounts) Rules, 2014 in so far as they apply to the Bank provision of section 29 of the Banking Regulation Act, 1949 and the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank'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 Bank or to cease operations, or has no realistic alternative but to do so. Those Charged with Governance are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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. The Balance Sheet, the Profit and Loss Account and the Cash Flow statement for the year ended March 31, 2024 have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014.
2. As required sub section (3) of section 30 of the Banking Regulation Act, 1949 and the appointment letter dated July 20, 2023, we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit, and have found them to be satisfactory;
 - b. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
 - c. The financial accounting systems of the Bank are centralized and therefore, accounting returns for the purpose of preparing financial statements are not required to be submitted by its branches; we have visited 20 branches for the purpose of our audit.
3. 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 Bank so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by RBI;
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Bank with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

g. In our opinion, the entity being a banking company, the remuneration to the MD & CEO for the year ended March 31, 2024 has been paid by the Bank in accordance with the provisions of Section 35B (1) of the Banking Regulation Act, 1949; and

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Bank to its directors during the year is in accordance with the provisions of section 197 of the Act; and

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

i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12 and note 18 of Schedule 18 of the financial statements;

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

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

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Bank from any person or entity, including foreign entity

("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Bank has not declared or paid any dividend during the year to the Equity Shareholders. However, the bank has declared/paid to Perpetual Non-Cumulative Preference shareholder in accordance with the Scheme of Amalgamation refer to in note 1 (a)(xii) of Schedule 18.

vi. Based on our examination, which included test checks, the bank, has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For V Sankar Aiyar & Co
Chartered Accountants
FRN 109208W

Asha Patel
Partner

(M. No 166048)

UDIN: 24166048BKFDIB2456

Place: Mumbai

Date: May 04, 2024

Annexure 1

to the Independent Auditor's Report of Even Date on the Financial Statements of Unity Small Finance Bank Limited

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

To the Members of Unity Small Finance Bank Limited

We have audited the internal financial controls over financial reporting of Unity Small Finance Bank Limited (the "Bank") as of March 31, 2024 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and

the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Bank has, in all material respects, adequate internal financial controls with reference to these financial

statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For V Sankar Aiyar & Co
Chartered Accountants
FRN 109208W

Asha Patel
Partner

Place: Mumbai
Date: May 04, 2024

(M. No 166048)
UDIN: 24166048BKFDIB2456

Balance Sheet

as at March 31, 2024

(₹ in 000's)

	Schedule	As at March 31, 2024	As at March 31, 2023
CAPITAL AND LIABILITIES			
Capital	1	1,39,24,354	1,39,24,354
Reserves and Surplus	2	51,47,900	35,17,890
Deposits	3	6,50,51,005	2,68,46,256
Borrowings	4	1,29,89,138	42,85,958
Other Liabilities and Provisions	5	4,06,25,590	3,90,38,819
Total		13,77,37,987	8,76,13,277
ASSETS			
Cash and Balances with Reserve Bank of India	6	38,47,894	34,13,770
Balances with banks and money at call and short notice	7	21,28,800	21,36,094
Investments	8	3,82,46,984	2,43,58,044
Advances	9	7,96,08,514	4,46,81,901
Fixed Assets	10	36,09,923	31,84,653
Other Assets	11	1,02,95,872	98,38,815
Total		13,77,37,987	8,76,13,277
Contingent Liabilities	12	12,68,093	10,49,783
Bills for Collection		24,55,314	24,22,768
Significant Accounting Policies and Notes to Accounts forming Part of Financial Statements.	17 & 18		

The Schedules referred to above form an Integral part of the Balance sheet.

As per our report of even date
For **V Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No : 109208W

For and on behalf of the Board of Directors

Asha Patel
Partner
Membership No. 166048

Pronab Sen
Part-time Chairman & Independent Director
(DIN: 07831725)

David Rasquinha
Independent Director
(DIN: 01172654)

Inderjit Camotra
Managing Director & CEO
(DIN: 09602543)

Abhishek Baxi
Chief Financial Officer (CFO)

Place: Mumbai
Date: May 04, 2024

Archana Goyal
Company Secretary(CS)

Profit and Loss Account

for the year ended March 31, 2024

(₹ in 000's)

	Schedule	Year ended March 31, 2024	Year ended March 31, 2023
I. INCOME			
Interest earned	13	1,38,78,809	73,46,955
Other Income	14	24,40,315	6,86,154
Total		1,63,19,124	80,33,109
II. EXPENDITURE			
Interest expended	15	40,68,610	17,49,123
Operating expenses	16	80,83,734	47,65,952
Provisions and contingencies		(2,22,202)	11,71,800
Total		1,19,30,142	76,86,875
III. PROFIT			
Net Profit / (Loss) for the year/period		43,88,982	3,46,234
Profit and (Loss) - brought forward		(39,93,834)	(15,36,156)
IV. APPROPRIATIONS			
Transfer to Statutory Reserves		10,97,245	86,559
Dividend on PNCPS		2,26,071	2,24,850
Transfer to Reserve Fund for ""Payable to DICGC"" consequent to the Scheme of Amalgamation (Refer note 18(1)(a)(xiv))		6,51,168	5,91,630
Transfer to Reserve Fund for ""Payable to Depositors"" consequent to the Scheme of Amalgamation (Refer note 18(1)(a)(xiv))		19,14,056	18,99,451
Transfer to Investment Fluctuation Reserve		4,92,962	-
Transfer to Capital Reserve		-	1,422
Balance carried over to Balance Sheet		(39,86,354)	(39,93,834)
V. EARNING PER EQUITY SHARE (Face Value of ₹ 10 per share)			
Basic		5.91	0.17
Diluted		2.15	0.07
Significant Accounting Policies and Notes to Accounts forming Part of Financial Statements.	17 & 18		

The schedules referred to above form an Integral part of the Profit and Loss Account.

As per our report of even date
For **V Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No : 109208W

For and on behalf of the Board of Directors

Asha Patel
Partner
Membership No. 166048

Pronab Sen
Part-time Chairman & Independent Director
(DIN: 07831725)

David Rasquinha
Independent Director
(DIN: 01172654)

Inderjit Camotra
Managing Director & CEO
(DIN: 09602543)

Abhishek Baxi
Chief Financial Officer (CFO)

Place: Mumbai
Date: May 04, 2024

Archana Goyal
Company Secretary(CS)

Cash Flow Statement

for the year ended March 31, 2024

(₹ in 000's)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows (used in)/from operating activities		
Profit/(Loss) before Income tax	46,17,625	1,25,121
Adjustments for:		
Depreciation on fixed assets	2,46,850	1,63,495
Amortisation of premium on held till maturity (HTM) investments	17,598	16,339
Provision/Charge for Non performing assets	(3,53,521)	12,36,344
General Provision for standard assets	1,62,156	67,359
Provision on investment	(40,544)	39,213
Employee Stock Options (ESOP) expenses	4,478	42
Profit/(Loss) on sale of land, Building and Other assets	(13,037)	-
Provision for contingencies and others	(2,59,479)	-
Operating profit/(loss) before working capital changes	43,82,124	16,47,913
Adjustments for:		
(Increase)/decrease in investments (Other than HTM Investments)	(82,68,549)	84,22,246
(Increase)/decrease in Advances	(3,45,73,091)	(2,17,26,981)
Increase/(decrease) in Deposits	3,82,04,749	(1,13,77,416)
(Increase)/decrease in Others Assets	(8,62,682)	(4,74,424)
Increase/(decrease) in Other Liabilities and Provisions	(8,59,854)	(23,10,960)
	(63,59,427)	(2,74,67,534)
Direct taxes paid (Net of refunds)	1,76,983	(1,530)
Net cash flow from/(used in) operating activities (A)	(18,00,320)	(2,58,21,152)
Cash flow from/(used in) Investing activities		
Purchase of fixed assets net of disposal	(6,59,083)	(3,26,147)
(Purchase)/Sale of held-till-maturity (HTM)Securities(net)	(55,97,446)	(51,25,295)
Net cash flow from/(used in) investing activities (B)	(62,56,529)	(54,51,442)
Cash flow from/(used in) Financing activities		
Increase/(Decrease) in borrowings (net)	87,03,180	(69,98,047)
Dividend on PNCPs paid during the year	(2,19,501)	(2,22,193)
Net cash flow from/(used in) financing activities (C)	84,83,679	(72,20,240)
Net (decrease)/Increase in cash and cash equivalents (A)+(B)+(C)	4,26,830	(3,84,92,834)
Cash and cash equivalents at the beginning of the year/period	55,49,864	4,40,42,698
Cash and cash equivalents at the end of the year/period	59,76,695	55,49,864

Notes :

Cash and cash equivalents comprises of Cash in Hand, Balances with RBI and Balances with Banks and Money at Call and Short Notice.

As per our report of even date

For **V Sankar Aiyar & Co.**

Chartered Accountants

Firm Registration No : 109208W

For and on behalf of the Board of Directors

Pronab Sen

Part-time Chairman & Independent Director
(DIN: 07831725)

David Rasquinha

Independent Director
(DIN: 01172654)

Asha Patel

Partner

Membership No. 166048

Inderjit Camotra

Managing Director & CEO
(DIN: 09602543)

Abhishek Baxi

Chief Financial Officer (CFO)

Place: Mumbai

Date: May 04, 2024

Archana Goyal

Company Secretary(CS)

Schedules forming Part of Balance Sheet

as at March 31, 2024

SCHEDULE 1 - CAPITAL

(₹ in 000's)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Capital		
4,000,000,000 equity shares of ₹10 each	4,00,00,000	4,00,00,000
Issued, Subscribed and Paid-up Capital		
704,901,960 equity shares of ₹10 each fully paid up	70,49,020	70,49,020
Total	70,49,020	70,49,020

SCHEDULE 1A - CAPITAL

(₹ in 000's)

Particulars	As at March 31, 2024	As at March 31, 2023
Share warrant issued (Refer note 18(1)(a)(xiii))	53,14,961	53,14,961
Total	53,14,961	53,14,961

SCHEDULE 1B - Capital

(₹ in 000's)

Particulars	As at March 31, 2024	As at March 31, 2023
Perpetual Non-Cumulative Preference Shares (PNCPS) (Refer note 18(1)(a)(xii))	15,60,373	15,60,373
Total	15,60,373	15,60,373

SCHEDULE 2 - RESERVES AND SURPLUS

(₹ in 000's)

Particulars	As at March 31, 2024	As at March 31, 2023
I. Statutory Reserve		
Opening Balance	86,559	-
Addition during the year (Refer note 18(3)(a))	10,97,246	86,559
Deduction during the year	-	-
Total	11,83,805	86,559
II. Capital Reserve on Amalgamation		
Opening Balance	34,20,490	28,47,080
Addition during the year (Refer note 18(3)(d))	27,847	5,73,412
Deduction during the year	-	-
Total	34,48,337	34,20,492
III. Capital Reserve		
Opening Balance	1,422	-
Addition during the year (Refer note 18(3)(c))	-	1,422
Deduction during the year	-	-
Total	1,422	1,422
IV. Share Premium		
Opening Balance	40,03,209	40,03,209
Addition during the year	-	-
Deduction during the year	-	-
Total	40,03,209	40,03,209

SCHEDULE 2 - RESERVES AND SURPLUS (Contd..)

(₹ in 000's)

Particulars	As at March 31, 2024	As at March 31, 2023
V. Revenue and Other Reserves		
Opening Balance	-	-
Addition during the year	-	-
Deduction during the year	-	-
Total	-	-
VI. Employee Stock Options Outstanding Account (ESOP)		
Opening Balance	42	-
Employee compensation expense for the year	4,477	42
Transfer to Share Premium Account	-	-
Transfer to General Reserve for Non- exercise of ESOP's	-	-
Total	4,519	42
VII. Investment Fluctuation Reserve Account		
Opening Balance	-	-
Addition during the year	4,92,962	-
Deduction during the year	-	-
Total	4,92,962	-
VIII. Balance in Profit and Loss Account		
Balance brought from Profit and Loss	(39,86,354)	(39,93,834)
Total	(39,86,354)	(39,93,834)
Total (I + II + III + IV + V + VI + VII + VIII)	51,47,900	35,17,890

SCHEDULE 3 - DEPOSITS

(₹ in 000's)

	As at March 31, 2024	As at March 31, 2023
A. I. Demand Deposits		
(i) From Banks	23,894	22,864
(ii) From Others	11,33,440	8,41,052
Total	11,57,334	8,63,916
II. Saving Bank Deposits	96,75,328	79,81,138
III. Term Deposits		
(i) From Banks	79,04,009	12,84,519
(ii) From Others	4,63,14,334	1,67,16,683
Total	5,42,18,343	1,80,01,202
Total (I + II + III)	6,50,51,005	2,68,46,256
B. I. Deposits of branches in India	6,50,51,005	2,68,46,256
II. Deposits of branches outside India	-	-
Total	6,50,51,005	2,68,46,256

SCHEDULE 4 - BORROWINGS

	As at March 31, 2024	As at March 31, 2023
		(₹ in 000's)
I. Borrowings in India		
(i) Reserve Bank of India	22,50,000	-
(ii) Other Banks	46,589	3,39,431
(iii) Other Institutions and Agencies	97,82,459	28,94,273
(iv) Sub-ordinate debts	-	-
(v) Bonds and Debentures (excluding subordinated debt)	9,10,090	10,52,254
Total	1,29,89,138	42,85,958
II. Borrowings Outside India	-	-
Total (I + II)	1,29,89,138	42,85,958

Secured borrowings/Refinance included in I & II above other than CBLO, Tri-Party Repo, Repo and LAF Borrowings is ₹ 849 Crores for year ended March 31, 2024. (Previous Year ₹ 124 crores)

SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS

	As at March 31, 2024	As at March 31, 2023
		(₹ in 000's)
I. Bills Payable	22,868	22,930
II. Inter - office adjustments (net)	-	-
III. Interest accrued	7,169	65,223
IV. Others (including provisions)		
(i) Contingent provisions against standard assets	3,68,861	1,92,558
(ii) Others Liabilities (including provisions)	4,02,26,692	3,87,58,108
Total	4,06,25,590	3,90,38,819

SCHEDULE 6 - CASH AND BALANCE WITH RESERVE BANK OF INDIA

	As at March 31, 2024	As at March 31, 2023
		(₹ in 000's)
I. Cash in Hand (including foreign currency notes)	1,66,741	1,38,726
II. Balances with Reserve Bank of India		
(i) In Current Account	36,81,153	22,05,044
(ii) In Other Accounts	-	10,70,000
Total	38,47,894	34,13,770

SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE

	As at March 31, 2024	As at March 31, 2023
		(₹ in 000's)
I. In India		
i) Balances with Banks		
a) In Current Account	17,42,571	14,92,075
b) In Other Deposit Accounts	2,23,162	4,83,142
Total	19,65,733	19,75,217
ii) Money at Call and Short Notice		
a) With Banks	-	-
b) With Other Institutions	-	-
Total	-	-
Total (i + ii)	19,65,733	19,75,217

SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE (Contd..)

	As at March 31, 2024	As at March 31, 2023
(₹ in 000's)		
II. Outside India		
i) In Current Account	1,63,067	1,60,877
ii) In Deposit Accounts	-	-
iii) Money at Call and Short Notice	-	-
Total (i + ii + iii)	1,63,067	1,60,877
Grand Total (I + II)	21,28,800	21,36,094

SCHEDULE 8 - INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
(₹ in 000's)		
A. Investments in India		
i) Government Securities	2,31,89,242	1,53,60,915
ii) Other approved securities	-	-
iii) Shares	4,88,471	1,07,506
iv) Debentures and bonds	81,47,514	38,63,725
v) Subsidiaries / joint ventures	-	-
vi) Others (including Certificate of Deposit, Commercial Bills, Mutual fund)	64,21,757	50,25,898
Total	3,82,46,984	2,43,58,044
B. Investments Outside India		
i) Government securities (including local authorities)	-	-
ii) Subsidiaries and/or joint ventures abroad	-	-
iii) Others investments (to be specified)	-	-
Total	-	-
Total (A + B)	3,82,46,984	2,43,58,044

SCHEDULE 9 - ADVANCES

	As at March 31, 2024	As at March 31, 2023
(₹ in 000's)		
A.		
i) Bills purchased and discounted	1,03,76,675	64,67,437
ii) Cash credits, overdrafts and loans repayable on demand	17,95,693	19,29,839
iii) Term loans	6,74,36,146	3,62,84,625
Total	7,96,08,514	4,46,81,901
B.		
i) Secured by tangible assets	2,76,29,495	1,56,27,792
ii) Covered by Bank / Government guarantees	-	-
iii) Unsecured	5,19,79,019	2,90,54,109
Total	7,96,08,514	4,46,81,901
C. I. Advances in India		
i) Priority Sectors	6,67,09,355	1,10,94,148
ii) Public Sector	-	-
iii) Banks	-	-
iv) Others	1,28,99,159	3,35,87,753
Total	7,96,08,514	4,46,81,901
II. Advances Outside India	-	-
Total	7,96,08,514	4,46,81,901

SCHEDULE 10 - FIXED ASSETS

(₹ in 000's)

	As at March 31, 2024	As at March 31, 2023
A. Premises		
At cost on beginning of the year	27,56,090	27,81,041
Additions during the year	-	-
Reclassified	-	-24,951
Deductions during the year	-	-
Depreciation to date	-1,04,696	-56,625
Total	26,51,394	26,99,465
B. Other Fixed Assets (including Furniture and Fixtures)		
At cost on beginning of the year	32,48,157	38,51,435
Additions during the year	6,76,310	2,94,877
Reclassified	-	24,951
Deductions during the year	-3,30,669	-
Depreciation to date	-26,70,143	-37,19,489
Total	9,23,655	4,51,774
C. Assets Given on Lease	-	-
D. Capital Work in Progress	34,874	33,414
Total (A + B + C + D)	36,09,923	31,84,653

SCHEDULE 11 - OTHER ASSETS

(₹ in 000's)

	As at March 31, 2024	As at March 31, 2023
I. Inter - office adjustments (net)	-	-
II. Interest accrued	15,46,444	7,48,668
III. Tax paid in advance/tax deducted at source (net of provision for tax)	1,16,033	2,93,016
IV. Stationery and stamps	-	-
V. Non-banking assets acquired in satisfaction of claims (net of provision)	-	-
VI. Deferred tax assets (net)	74,03,895	76,32,537
VII. Others	12,29,500	11,64,594
Total	1,02,95,872	98,38,815

SCHEDULE 12 - CONTINGENT LIABILITIES

(₹ in 000's)

	As at March 31, 2024	As at March 31, 2023
I. Claims against the bank not acknowledged as debts - Taxation	54,225	49,682
II. Claims against the bank not acknowledged as debts - Others	2,124	2,124
III. Liability for partly paid investments	1,49,827	52,624
IV. Liability on account of outstanding forward exchange contracts	-	-
V. Guarantees given on behalf of constituents:		
- In India	2,44,916	2,78,151
- Outside India	-	-
VI. Acceptances, endorsements and other obligations	-	-
VII. Other items for which the Bank is contingently liable	8,17,001	6,67,202
Total	12,68,093	10,49,783

SCHEDULE 13 - INTEREST EARNED

	As at March 31, 2024	As at March 31, 2023
	(₹ in 000's)	
I. Interest/discount on advances/bills	1,15,03,367	53,20,103
II. Income on investments	22,22,054	17,46,680
III. Interest on balances with Reserve Bank of India and other inter-bank funds	1,30,271	2,73,853
IV. Other interest	23,117	6,319
Total	1,38,78,809	73,46,955

SCHEDULE 14 - OTHER INCOME

	As at March 31, 2024	As at March 31, 2023
	(₹ in 000's)	
I. Commission, exchange and brokerage	19,19,432	7,48,311
II. Profit/(Loss) on sale of investments(net)	1,28,737	-3,74,580
III. Profit/(Loss) on revaluation of investments	39,073	-39,213
IV. Profit/(Loss) on sale of land, Building and Other assets	13,037	-
V. Profit/(Loss) on exchange transactions	190	-
VI. Income earned by way of dividends from subsidiaries / associates and / or joint ventures abroad / in India	-	-
VII. Miscellaneous income (Refer note 18(33))	3,39,846	3,51,636
Total	24,40,315	6,86,154

SCHEDULE 15 - INTEREST EXPENDED

	As at March 31, 2024	As at March 31, 2023
	(₹ in 000's)	
I. Interest on deposits	34,01,944	12,31,691
II. Interest on Reserve Bank of India/ inter-bank borrowings	20,316	80,463
III. Other	6,46,350	4,36,969
Total	40,68,610	17,49,123

SCHEDULE 16 - OPERATING EXPENSES

	As at March 31, 2024	As at March 31, 2023
	(₹ in 000's)	
I. Payments to and provisions for employees	35,73,165	21,19,858
II. Rent, taxes and lighting	5,55,334	3,51,736
III. Printing and stationery	23,413	42,522
IV. Advertisement and publicity	51,922	1,13,961
V. Depreciation on Bank's property	2,46,850	1,63,495
VI. Director's fees/remuneration, allowances and expenses	11,929	9,672
VII. Auditors' fees and expenses (Including Branch Auditors)	5,405	5,236
VIII. Law charges	10,142	13,441
IX. Postage, telegrams, telephones, etc.	98,118	66,918
X. Repairs and maintenance	8,27,472	3,87,968
XI. Insurance	59,542	52,938
XII. Other expenditure	26,20,442	14,38,207
Total	80,83,734	47,65,952

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

BACKGROUND

Unity Small Finance Bank Limited (the “Bank”) is a private sector small finance bank incorporated on August 25, 2021 in New Delhi, India under the provisions of the Companies Act, 2013 and is licensed by the Reserve Bank of India (RBI) to operate as a Small Finance Bank under the Banking Regulation Act, 1949 vide licence dated October 12, 2021 and has commenced its business on November 1, 2021.

RBI on June 18, 2021, granted an in-principal approval to Centrum Financial Services Limited (“CFSL”), to establish a small finance bank in the private sector under Section 22 of the Banking Regulation Act, 1949. Pursuant to this, Unity Small Finance Bank Limited (“USFB/ the Bank”) was incorporated by CFSL, on August 25, 2021. Further, RBI vide its letter dated October 12, 2021 granted banking licence to USFB, to carry on the Small Finance Bank (SFB) business. USFB commenced its operations from November 1, 2021. In compliance with the conditions of RBI licence, the entire businesses, comprising of all the assets and liabilities, of CFSL and Centrum Microcredit Limited (“CML”) (the two Non-Banking Finance Companies of the Centrum group) were transferred to USFB, as a going concern, by way of slump sale on November 1, 2021.

The Punjab and Maharashtra Co-operative Bank Limited has been amalgamated with the Bank pursuant to the Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 notified by the Ministry of Finance, Department of Financial Services, Banking Division, Government of India on January 25, 2022 with effect from January 25, 2022.

BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated and are in accordance with Generally Accepted Accounting Principles in India (‘GAAP’), statutory requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India (‘RBI’) from time to time (RBI guidelines), Accounting Standards (‘AS’) specified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2021, in so far as they apply to banks.

Use of estimates

The preparation of financial statements in conformity with GAAP requires the management to make estimates and necessary assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. The impact of any accounting revision in these estimates is recognised prospectively from the period of change.

1. Significant Accounting Policies

A. Revenue recognition

Interest income is recognised in the profit and loss account on an accrual basis in case of non-performing assets (NPAs) interest income is recognised when realised, as per the income recognition and asset classification and provisioning norms of RBI.

- Interest income on investments is recognised on accrual basis.
- Income on non-coupon bearing discounted instruments is recognised over the tenor of the instrument on a constant yield basis.
- Income from units of mutual funds / AIF is recognised on cash basis.
- Guarantee commission, commission on letter of credit, annual locker rent fees and are recognised on a straight-line basis over the period of contract. In case of CCOD, Service charges, fees and commission income are recognised when due.
- Gain / loss on sell down of loans is recognised in line with the extant RBI guidelines.
- Income from bill discounting on discounted instruments are recognised over the tenure of the instrument so as to provide a constant periodic rate of return.
- Dividend on equity shares and preference share income is accounted on an accrual basis when the Bank’s right to receive the dividend is established.
- Income on discounted instruments is recognised over the tenure of the instrument on a straight-line basis. Loan origination income i.e. processing fee and other charges are collected upfront and recognised at the inception of the loan.
- All other charges such as EMI bounce charges, Cheque return charges, Legal charges, seizing charges, etc. are recognised on realisation basis. These charges are treated to accrue on realisation, due to the uncertainty of their realisation.
- Amounts recovered against debts written off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognised in the Profit and Loss Account.
- All other fees are accounted for as and when they become due where the Bank is reasonably certain of ultimate collection.

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

B. Investments

Classification and valuation of the Bank's Investments is carried out in accordance with RBI and Fixed Income Money Market and Derivatives Association ('FIMMDA') guidelines issued in this regard from time to time.

Classification:

In accordance with the RBI guidelines on investment classification and valuation, investments are classified on the date of purchase into "Held for Trading" ('HFT'), "Available for Sale" ('AFS') and "Held to Maturity" ('HTM') categories (hereinafter called "categories") and subsequent shifting amongst categories is done in conformity with regulatory guidelines.

Under each of these categories, investments are further classified under six groups (hereinafter called "groups") - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investments in Subsidiaries / Joint Ventures, and Other Investments for the purposes of disclosure in the Balance Sheet.

The Bank follows Settlement date accounting for recording purchase and sale transactions in securities.

Basis of classification

Investments that the Bank intends to hold till maturity are categorised as "Held to Maturity (HTM)".

Investments that are held principally for resale within 90 days from the date of purchase are categorised as "Held for Trading (HFT)".

Investments, which are not classified in above two categories, are classified as "Available for Sale (AFS)".

Acquisition Cost

The cost of investments is determined on weighted average basis. Broken period interest on debt instruments and government securities are considered as a revenue item. The transaction costs including brokerage, commission, transaction/settlement charges etc. paid at the time of acquisition of investments are recognised in Profit and Loss Account and are not included in the cost of acquisition.

Valuation of Investments

The valuation of investments is performed in accordance with the RBI guidelines as follows:

i) Investments classified as Held to Maturity

These are carried at their acquisition cost and not marked to market unless it is more than face value. Any premium on acquisition of debt instruments is amortised over the balance maturity of the security on a straight-line basis.

Such amortisation of premium is adjusted against interest income under the head "Income from investments" as

per the RBI guidelines. Bank recognises any diminution, other than temporary, in the value of their investment under HTM category for each investment individually.

ii) Investments classified as Available for Sale and Held for Trading

Investments classified under AFS and HFT categories are marked to market as per the RBI guidelines. The securities are valued scrip-wise and Net depreciation in the value, if any, compared to the acquisition cost, in any of the six groups, is charged to the Profit and Loss Account. The net appreciation, if any, in any of the Category is not recognised except to the extent of depreciation already provided. The book value of individual securities is not changed after the valuation of investments.

Quoted investments are valued at traded/ quoted price available on the recognised stock exchanges, subsidiary general ledger account transactions, price list of RBI or prices declared by Financial Benchmark India Pvt. Ltd. ('FBIL') jointly with Fixed Income Money Market and Derivatives Association (FIMMDA) applicable as at the balance sheet date. For deriving market value of unquoted fixed income securities (other than Central and State Government securities), yields / mark-up rates (reflecting associate credit risk) published by the FIMMDA is used. The market value of unquoted government securities which are in the nature of Statutory Liquidity Ratio ('SLR') securities included in the AFS and HFT categories is valued as per rates published by FBIL/FIMMDA

Non-performing investments are identified and depreciation / provision are made thereon based on the RBI guidelines. The depreciation / provision on such non-performing investments are not set off against the appreciation in respect of other performing securities. Interest on non-performing investments is not recognised in the Profit and Loss Account until received.

iii) Treasury Bills, Commercial Paper and Certificate of Deposits being discounted instruments, are valued at carrying cost.

iv) Market value of units of mutual funds is based on the latest net asset value declared by the mutual fund.

v) Market value of investments for unquoted Non-SLR securities

a) In case of unquoted bonds, debentures, and preference shares where interest / dividend is received regularly (i.e., not overdue beyond 90 days), the market price is derived based on the Yield to Maturity for Government Securities as published by Fixed Income Money Market and Derivatives Association of India (FIMMDA)/ Financial Benchmark India Pvt. Ltd. ('FBIL') and

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

suitably marked up for credit risk applicable to the credit rating of the instrument. The matrix for credit risk mark-up for each category and credit rating along with residual maturity issued by FBIL is adopted for this purpose.

- b) In case of bonds and debentures (including Pass Through Certificates) where interest is not received regularly (i.e., overdue beyond 90 days), the valuation is in accordance with prudential norms for provisioning as prescribed by the RBI. Interest on such securities is not recognised in the Profit and Loss Account until received.
- c) Equity shares, for which current quotations are not available or where the shares are not quoted on the stock exchanges, are valued at break-up value (without considering revaluation reserves, if any) which is ascertained from the company's latest Balance Sheet (which should not be more than 18 months prior to the date of valuation). In case the latest Balance Sheet is not available, the shares are valued at 1 per company as per relevant RBI guidelines.

Investment in Securities issued by Securitisation Company (SC)/ Reconstruction Company (RC):

At the end of each reporting period, security receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time. Accordingly, in cases where the cash flows from security receipts issued by the asset reconstruction companies are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Bank reckons the net asset value obtained from the asset reconstruction company from time to time, for valuation of such investments at each reporting period end. The security receipts which are outstanding and not redeemed as at the end of the resolution period are treated as loss assets and are fully provided for.

Short Sale

The Bank undertakes short sale transactions in Central Government dated securities in accordance with RBI guidelines. The short position is categorised under HFT category and netted off from Investments in the Balance Sheet. The short position is marked to market and loss, if any, is charged to the Profit and Loss Account while gain, if any, is ignored. Gain or loss on settlement of the short position is recognised in the Profit and Loss Account.

Disposal of Investments

Profit / Loss on sale of investments under AFS and HFT categories are recognised in the Profit and Loss Account. Profit in respect of investments sold from HTM category is included

in the Profit on Sale of Investments and an equivalent amount (net of taxes, if any, and net of transfer to Statutory Reserves as applicable to such profits) is appropriated from the Profit and Loss Appropriation account to Capital Reserve account as per RBI guidelines. Loss on sale from HTM is recognised in the Profit and Loss account.

Repurchase and reverse repurchase transactions:

In accordance with the RBI guidelines, repurchase (Repo) and reverse repurchase (Reverse Repo) transactions in government securities and corporate debt securities are reflected as borrowing and lending transactions respectively.

Borrowing cost on repo transactions is accounted for as interest expense and revenue on reverse repo transactions is accounted for as interest income.

Repurchase ('repo') and reverse repurchase ('reverse repo') transactions including liquidity adjustment facility (with RBI) accounted for as borrowing and lending transactions. Accordingly, securities given as collateral under an agreement to repurchase them are held under the investments of the Bank and the Bank is accruing the coupon/discount on such securities during the repo period. Also, the Bank value the securities sold under repo transactions as per the investment classification of the securities. The difference between the clean price of the first leg and clean price of the second leg is recognised as interest income/expense over the period of the transaction in the Profit and Loss Account.

C. Advances and Provisions thereon:

Classification:

Advances are classified as performing and non-performing based on the RBI guidelines and are stated net of bills rediscounted, inter-bank participation with risk, specific provisions, interest in suspense for non-performing advances, claims received from Credit Guarantors, provisions for funded interest term loan and provision for diminution in the fair value of restructured assets.

The Bank classifies its loans and investments into performing and non-performing in accordance with RBI guidelines, as follows:

- i. Interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of term loan;
- ii. the account remains "out of order" in accordance with RBI direction in respect of an overdraft/Cash Credit (OD/CC)
- iii. the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted;
- iv. the amount of liquidity facility remains outstanding for more than 90 days, in respect of securitisation transaction undertaken in terms of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021;

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

- v. In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

Provisioning:

NPAs are classified into Sub-Standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI:

- i. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.
- ii. Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.
- iii. Loss: A loan asset where loss has been identified but the amount has not been fully written off.

Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below:

Substandard Assets:	<ol style="list-style-type: none"> i. A general provision of 15% on- the total outstanding; ii. Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realizable value of security is not more than 10 percent ab-initio); iii. Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.
Doubtful Assets:	
- Secured portion:	<ol style="list-style-type: none"> i. Up to one year – 25% ii. One to three years – 40% iii. More than three years – 100%
- Unsecured portion	100%
Loss Assets:	100%

Additional NPA provision

In addition, the Bank considers accelerated specific provisioning that is based on past experience, evaluation of security and other related factors. Specific loan loss provision in respect of non-performing advances are charged to the Profit and Loss Account.

Restructuring

Bank considers a restructured account as one where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of terms of the advance / securities, which would generally include, among others, alteration of repayment period / repayable amount / the amount of instalments / rate of interest (due to reasons other than competitive reasons). Restructured accounts are classified as such by the Bank only upon approval and implementation of the restructuring package. Necessary provision for diminution in the fair value of a restructured account is made and classification thereof is as per the extant RBI guidelines.

Covid Restructuring

In accordance with the RBI guidelines on the prudential framework for resolution of stressed assets and the resolution frameworks for COVID-19 related stress, the Bank in accordance with its Board approved policy, carried out one-time restructuring of eligible borrowers.

Restructure Upgrade

The asset classification and necessary provision thereon is made in accordance with the said RBI guidelines. The restructured loans are upgraded into standard category as per the extant RBI guidelines.

Write off:

Amounts recovered against debts written off in earlier years are recognised in the profit and loss account and are included in other income in the year of recovery.

In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

In addition to the above, the Bank on a prudent basis makes provision on advances or exposure which are not NPAs but has reasons to believe on the basis of the extant environment or specific information or basis regulatory guidance / instructions, of a possible slippage of a specific advance or a group of advances or exposures or potential exposures. These are classified as contingent provisions and included under other liabilities.

D. Securitisation and transfer of assets:

Assets transferred through securitisation and direct assignment of cash flows are de-recognised in the Balance

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

Sheet when they are sold (true sale criteria being fully met with) and consideration is received. Sales / transfers that do not meet true sale criteria are accounted for as borrowings. For a securitisation or direct assignment transaction, the Bank recognises profit upon receipt of the funds and loss is recognised at the time of sale.

On sale of stressed assets, if the sale is at a price below the net book value (i.e., funded outstanding less specific provisions held), the shortfall is charged to the Profit and Loss Account and if the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year when the sum of cash received by way of initial consideration and / or redemption or transfer of security receipts issued by SC / RC exceeds the net book value of the loan at the time of transfer.

The Bank transfers advances through inter-bank participation with and without risk. In the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances. In case where the Bank is assuming risk by participation, the aggregate amount of the participation is classified under advances. In the case of issue of participation certificate without risk, the aggregate amount of participation issued by the Bank is classified under borrowings and where the Bank is acquiring participation certificate, the aggregate amount of participation acquired is shown as due from banks under advances.

The Bank invests in Pass Through Certificates (PTCs) issued by Special Purpose Vehicles (SPVs). These are accounted at acquisition cost and are classified as investments

E. Priority Sector Lending Certificate (PSLC)

The Bank enters into transactions for the sale or purchase of Priority Sector Lending Certificates (PSLCs). In the case of a sale transaction, the Bank sells the fulfilment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfilment of priority sector obligation through the RBI trading platform. There is no transfer of risks or loan assets. The fee received for the sale of PSLCs is recorded as Miscellaneous Income and the fee paid for purchase of the PSLCs is recorded as other Expenditure in Profit and Loss Account. These are amortised on SLM over the period of the Certificate.

F. Fixed assets and Depreciation

(I) Property, Plant and Equipment (PPE) and software:

The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Property, Plant and Equipment and software are carried at cost less, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost (Like - site preparation, installation costs and professional fees incurred on the

assets) of bringing the asset to its working condition for the intended use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets.

Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Profit and Loss Account when the asset is derecognised.

(II) Depreciation on Property, Plant and Equipment (PPE) and software:

Depreciation on Property, Plant, Equipment, and software is charged on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management, pursuant to Part C of Schedule II to the Companies Act, 2013. The useful lives have been estimated by the management based on technical advice obtained. Determination of useful life of an asset is a matter of judgment and based on various factors such as type and make of an item, its place and pattern of usage, nature of technology, obsolescence factors, availability of spares, etc. and makes a significant impact on the useful life of an asset.

The estimated useful lives of key fixed assets are given below:

Assets	Estimated useful life specified under schedule II of Companies Act, 2013
Owned Premises	60 years
Computer	3 years
Furniture and fittings	10 years
Office Equipment	5 years
Servers	6 years

Depreciation on assets acquired/sold during the period is recognised on a pro-rata basis to the Profit and Loss Account from/up to the date of acquisition/sale.

Improvements to lease hold premises are charged off over the remaining primary period of lease subject to maximum of 5.

Software and system development expenditure is depreciated over a period of 5 years.

Whenever there is a revision of the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life of the said asset.

Profit on sale of immoveable property net of taxes and transfer to statutory reserve, are transferred to capital reserve account.

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

Assets less than INR 5,000 individually, are fully depreciated in the year of purchase.

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

Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Capital work-in-progress/ Software under development

Costs incurred towards acquisition of assets, including expenses incurred prior to those assets being put to use and directly attributable to bringing them to their working condition are included under “Capital Work in Progress”. Capital Work in Progress including Software under development are stated at the amount incurred up to the date of Balance Sheet.

G. Foreign exchange translation

Initial recognition

Transactions in foreign currencies entered into by the Bank are accounted at the exchange rates on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date

Foreign currency monetary items, if any, of the Bank, outstanding at the balance sheet date are restated at the rates prevailing at the period-end as notified by Foreign Exchange Dealers Association of India (‘FEDAI’). Non-monetary items of the Bank are carried at historical cost.

Treatment of Exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Bank are recognised in the Profit and Loss Account.

H. Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term is classified

as operating leases. Lease payments including cost escalation for assets taken on operating lease rentals are recognised as an expense on straight-line basis over the lease period in accordance with the AS 19, Leases.

I. Taxation

Tax expenses comprises of current income tax and deferred tax.

Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961, the rules framed there under and considering the material principles set out in Income Computation and Disclosure Standards) and the net change in the deferred tax asset or liability during the year and other applicable Income tax laws.

Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Bank has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Bank writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

J. Accounting for Provision, Contingent assets and Contingent liabilities

In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation as a result of a past event, and would result in a probable outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are determined based on management estimate required to settle the obligation at the Balance Sheet date, supplemented by experience of similar transactions. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

No provision is recognised for:

- i. any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
- ii. any present obligation that arises from past events but is not recognised because:
 - a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made. The Bank does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

K. Derivatives

The Bank recognises all derivative contracts (other than those designated as hedges) at fair value, on the date on which the derivative contracts are entered into and are re-measured at fair value as at the Balance Sheet or reporting dates.

Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair

value is negative (negative marked to market value). Changes in the fair value of derivatives other than those designated as hedges are recognised in the Profit and Loss account.

L. Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

Share Based Payment :

The Employee Stock Option Scheme ('the Scheme') provides for the grant of options to acquire equity shares of the Bank to its employees and whole time directors. The options granted to employees vest as per their vesting schedule and these may be exercised by the employees within a specified period.

The Bank follows the intrinsic value method to account for its stock-based employee compensation plans in respect of options granted up to March 31, 2021. Compensation cost is measured by the excess, if any, of the market price of the underlying stock over the exercise price as determined under the option plan. The market price is the closing price on the stock exchange where there is highest trading volume on the working day immediately preceding the date of grant. Compensation cost, if any is amortised over the vesting period.

Effective April 01, 2021, the fair value of share-linked instruments on the date of grant for all instruments granted after March 31, 2021 is recognised as an expense in accordance with the RBI guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff. The fair value of the stock-based employee compensation is estimated using Black-Scholes model. The compensation cost is amortised on a straight-line basis over the vesting period of the option with a corresponding credit to Employee Stock Options Reserve. On exercise of the stock options, corresponding balance in Employee Stock Options Reserve is transferred to Share Premium. In respect of the options which expire unexercised, the balance standing to the credit of Employee Stock Options Reserve is transferred to General Reserve.

Defined contribution plan:

Provident Fund

The Bank makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Bank's contribution is recognised as an expense in Profit and loss account during the period in which the employee renders the related service.

Defined Benefit Plan

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation carried out by an independent actuary using Projected Unit Credit Method made

Schedule 17 – Significant Accounting Policies Forming Part of the Financial Statements

at the end of the period end. The Company makes contribution to a scheme administered by an Insurance Company approved by the Insurance Regulatory and Development Authority of India (IRDAI) to discharge the gratuity liability to the employees. Provisions made for the funded amount are expensed in the statement of profit and loss.

Compensated Absences

The Bank accrues the liability for compensated absences based on the actuarial valuation as at the period end conducted by an independent actuary which includes assumptions about demographics, early retirement, salary increases, interest rates and leave utilisation. The net present value of the Banks' obligation is determined using the Projected Unit Credit Method as at the period end. Actuarial gains / losses are recognised in the Profit and Loss Account in the period in which they arise.

M. Borrowing Cost

Borrowing cost includes arranger fees, processing fees, stamp duty on issuance of debenture certificates and other associated transaction cost related to borrowing from banks and other financial institutions. In accordance with Accounting Standard 16, borrowing costs are recognised over the tenor of the borrowings.

N. Earnings per Share

Basic and diluted earnings per share is computed in accordance with Accounting Standard-20 – Earnings per share.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity

shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the period.

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

O. Segment Reporting

The disclosures relating to segment reporting is done in accordance with AS 17 “Segment Reporting” and as per guidelines issued by the RBI.

P. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

Q. Corporate Social Responsibility

Expenditure towards corporate social responsibility in accordance with Companies Act, 2013 is recognised in the profit and loss account.

R. Cash and cash equivalents

Cash and cash equivalents include cash including RBI, balances with other banks and money at call and short notice.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

1 (a) Amalgamation of the Punjab and Maharashtra Co-Operative Bank Ltd with Unity Small Finance Bank Limited

The Punjab and Maharashtra Co-operative Bank Limited ("PMC") was a Multi-State Scheduled Urban Co-operative Bank registered under the Multi-State Co-operative Societies Act, 2002 (39 of 2002) and carrying on the business of Banking in India. On account of detection of certain instances of fraud in the PMC in September 2019 and consequent to the precarious financial conditions, including complete erosion of capital and substantial deposit erosion of the PMC, RBI issued "All Inclusive Directions" to the PMC under Section 35A read with Section 56 of the Banking Regulation Act, 1949 (10 of 1949) with effect from close of business of September 23, 2019, to protect the interest of the depositors and to ensure that the Bank's available resources are not misused or diverted. RBI in exercise of the powers conferred under sub-sections (1) and (2) of section 36AAA read with section 56 of the Banking Regulation Act, 1949 (10 of 1949) superseded the Board of Directors of the PMC on September 23, 2019 and appointed an Administrator in its place.

Centrum Financial Services Limited, as promoters along with Resilient Innovation Private Limited as "joint investor", had expressed interest in the month of February 2021 in acquiring the Punjab and Maharashtra Co-operative Bank Limited through a suitable scheme of amalgamation with a new Small Finance Bank to be registered by the promoter. Accordingly, the Unity Small Finance Bank Limited ("USFB") was incorporated as Banking Company under the Companies Act 2013 on August 25, 2021 and granted Banking licence by Reserve Bank under section (1) of Section 2 of Banking Regulation Act on October 12, 2021. The USFB has started transacting business of Banking under section 5(c) of Banking Regulation Act, 1949 from November 1, 2021.

In exercise of the powers conferred by sub-section (7) of section 45 of the Banking Regulation Act, 1949 (10 of 1949), (the "Act"), the Central Government sanctioned Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 vide notification dated January 25, 2022 (hereinafter referred to as the "Scheme" or "SOA") for amalgamation of the PMC with the USFB, which came into force on January 25, 2022 ("Appointed Date" or "Amalgamation Date").

As per the Scheme, upon its coming into effect from the appointed date, the undertaking of PMC Bank including all its assets, liabilities and specified reserves stood transferred/ deemed to be transferred to and vest in the USFB. Further, on and from the appointed date, the entire amount of the paid-up share capital and reserves and surplus of PMC stood written off.

The Scheme prescribed valuation of assets and reckoning of liabilities to be carried out as follows:

- i) Investments other than Government Securities:- At the market rates prevailing on the day immediately preceding the appointed date;
- ii) a) the Government Securities :- at values prevailing on the day immediately preceding the appointed date in accordance with the extant Reserve Bank guidelines;
- b) the Securities of the Central Government such as Post-Office Certificates, Treasury Savings Deposit Certificates and any other securities or certificates issued under the small savings schemes of the Central Government :- At their face value or the encashable value as on the appointed date, whichever is higher;
- c) where the market value of any Government Security held by the transferor Bank in respect of which the principal is payable in instalments, is not ascertainable or is for any reason not considered as reflecting the fair value thereof or as otherwise appropriate - at such amount as is considered reasonable having regard to the instalments of principal and interest remaining to be paid, the period during which such instalments are payable, the yield of any security issued by the Government to which the security pertains and having the same or approximately the same maturity and other relevant factors;
- iii) where the market value of any security, share, debenture, bond or other investment is not considered reasonable by reason of its having been affected by abnormal factors - on the basis of its average market value over any reasonable period;
- iv) where the market value of any security, share, debenture, bond or other investments is not ascertainable - only such value, if any, shall be taken into account as is considered reasonable, having regard to the financial position of the issuing concern, the dividends paid by it during the preceding five years and other relevant factors;
- v) premises and all other immovable properties and any assets acquired in satisfaction of claims - at their market value;
- vi) the furniture and fixtures, stationery in stock and other assets, if any - at the written down value as per books or the realisable value as may be considered reasonable;

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

- vii) advances, including bills purchased and discounted, book debts, sundry assets, and all other remaining tangible/intangible assets to be scrutinised by the Bank and the securities, including guarantees held as cover therefor to be examined and verified by the Bank and thereafter, the advances including portions thereof, to be classified into two categories namely, "Advances considered good and readily realisable" and "Advances considered not readily realisable and/or bad or doubtful of recovery".
- viii) Liabilities for purposes of the Scheme to include all liabilities, including contingent liabilities, which the Bank may be required to meet on or after the appointed date and in determining the value of the liabilities (including the liability towards Deposit Insurance and Credit Guarantee Corporation for payments to the insured depositors) for initial recognition in the books of the transferee Bank, the measurement basis maybe decided by the Reserve Bank and could include historical cost, current cost, settlement value, present value or any other measurement basis. In respect of every other liability including the claims not acknowledged as debt, the bank shall pay only the principal amounts within a period of five years from the appointed date to the creditors in terms of the agreements entered or the terms and conditions agreed upon between them prior to the appointed date.

The Scheme also prescribed the following terms and conditions with regard to certain restructured liabilities of erstwhile PMC Bank-

ix) Restructured Deposits Payable within 5 years from Amalgamation Date of PMC Bank and Unity Bank:

These are liabilities pertaining to erstwhile Retail Depositors of PMC Bank payable between Year 1 and Year 5 from the Amalgamation date.

The Bank shall pay to retail depositors between Year 1 and Year 5 from the Amalgamation date as set out in Clause No [6] to [c] of Note [ii to vi] of the scheme.

There is no interest payable on these sums.

x) Restructured Deposits Payable at the end of 10 years from the Amalgamation Date of PMC Bank and Unity Bank

These are liabilities pertaining to erstwhile Retail Depositors of PMC Bank payable at the end of 10 years from the Amalgamation Date.

The Bank shall pay to retail depositors at the end of Year 10 of the Appointed Date as set out in Clause No [6] of Note [c] of Note [vii] of the scheme. Annual interest of 2.75% is payable from Year 6 till year 10 on these nominal amounts.

xi) Support from DICGC

DICGC has extended support to the Bank to repay Depositors as explained in detail in Paragraph No [6][c] [i to vii] of the Scheme. The Bank shall repay the amount received (no interest is payable on these sums) pursuant to Clause [7] of Note [2] of the scheme. The Bank has time up to 20 years from the Appointed Date, to repay the amount received from Deposit Insurance and Credit Guarantee Corporation (DICGC) towards payment to the insured depositors. The Bank has created a Reserve Fund for ""Payable to DICGC"" (shown under Others Liabilities (including provisions))."

xii) The terms and conditions of the PNCPS issued in accordance with the Scheme as approved by the Board of Directors/Shareholders are as follows:

PNCPS are issued at par at Rs. 10 per PNCPS and are unlisted. These PNCPS are perpetual, non-convertible and carry mandatory annual payment of dividend @ 1% p.a, irrespective of profits. At the end of the 10th year from the appointed date, the bank will use "Net Cash Recoveries" (net of expenses related to such recoveries) from assets pertaining to Housing Development and Infrastructure Limited Group in excess of the principal amount of advances to Housing Development and Infrastructure Limited Group outstanding as on March 31, 2021 to buyback Perpetual Non-Cumulative Preference Shares at face value on a pro rata basis.

From the end of 21st year, the bank will buyback the outstanding principal of the Perpetual Non- Cumulative Preference Shares, at the rate of at least 1 percent of the total Perpetual Non-Cumulative Preference Shares issued under the scheme per annum, provided the following conditions are satisfied, namely: -

- i) all restructured liabilities pertaining to the erstwhile PMC including those towards Deposit Insurance and Credit Guarantee Corporation under the Scheme are fully discharged;
- ii) capital adequacy ratio of the bank is at least three hundred basis points higher than the regulatory minimum capital-to-risk weighted assets ratio applicable at that point of time;

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

- iii) net non-performing assets of the bank are at least two hundred basis points lower than the prescribed threshold for Prompt Corrective Action by Reserve Bank at that point of time;
- iv) minimum "Net Cash Recovery" of the principal amount of advances to Housing Development and Infrastructure Limited Group as on March 31, 2021 from assets pertaining to Housing Development and Infrastructure Limited Group is more than 70 per cent. of the principal amount of advances;
- v) the buyback of the Perpetual Non-Cumulative Preference Shares shall be capped at 10 per cent. of the yearly net profit of the bank for the previous year.

xiii) The terms and conditions of the share warrants as approved by the Board of Directors/ Shareholders are as follows:

The warrants are issued at face value of Rs. 1 per equity warrant and are unlisted.

The warrants shall be exchanged for equity shares at the time of Initial Public Offer (IPO).

The number of warrants to be exchanged for 1 equity shares shall be:-

Lower band of IPO price/Face value of warrant.

Warrants shall be extinguished and the equity shares issued as per the exchange ratio prior to the IPO opening for subscription by the public. Upon exchange of warrants for equity shares, obligations of the bank in respect of the warrants shall stand extinguished. The treatment of warrants in the event of corporate actions other than IPO shall be as determined by the Reserve Bank of India.

The warrant holders shall have no other rights or privileges except as expressly provided in the term sheet. The warrant does not provide to the holder any right of shareholders of the bank including voting right, right to receive dividend, or any other corporate benefit which may be declared or announced by the bank from time to time, until such time that the warrants are extinguished and exchanged for the equity shares of the bank in accordance with the term sheet.

Further, equity warrants of ₹1900 crore to be exercised within a total period of eight years by the holders thereof, have been issued by Unity Small Finance Bank Limited on November 1, 2021 to the promoters to bring further capital.

- xiv) The management of USFBL carried out valuation of assets and determination of liabilities as on the appointed date of Amalgamation of erstwhile PMC Bank with USFBL i.e 25th January 2022, on the basis of balance sheet as at 24th January, 2022 i.e. as at the close of business on the date immediately preceding the appointed date i.e. January 25,2022 as per the scheme of amalgamation.

(₹ in 000's)	
Particulars	As at January 25, 2022
Assets	
Cash and balances with Reserve Bank of India	444
Balances with Banks and money at call and short notice	121
Investments	2,523
Advances	626
Fixed Assets	259
Other Assets	119
Deferred Tax asset on provision for doubtful advances (Refer note (iii) below)	730
Total Assets (I)	4,822
Liabilities	
Deposits	-
Borrowings	149
Other liabilities and provisions	745
Restructured liabilities towards depositors liabilities	2,957
Issue of equity warrants and PNCPS towards depositors liabilities	686
Total Liabilities (II)	4,537
Net Assets (III) = (II) - (I)	285
Purchase consideration [IV]	-
Capital Reserve on Amalgamation [IV] - [III]	285

Note :

- i) The USFB scrutinised advances portfolio and considered additional provisioning, on a conservative basis, on advances over and above the provisions as per audited balance sheet as at 24th January referred to hereinabove in respect of standard assets, taking into account the possibility of additional accounts which might have to be classified as NPA, as the process of identification of NPA in the erstwhile PMC Bank was manual.
- ii) The Bank made adjustments in the carrying value of land and building as at the appointed

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

- date taking into account the valuation report obtained from approved valuer.
- iii) Deferred tax asset as at the appointed date was recognised for the tax effect on provision for doubtful advances to the extent that it is reasonably certain that sufficient future taxable income will be available against which the said deferred tax asset can be realised.
- iv) The Bank reckoned additional liabilities as at the appointed date based on its assessment
- v) The restructured liabilities towards depositors, DICGC and PNCPS were valued on present value basis.
- xv) During the year, the Bank has received further cash assistance (claims towards insured amount) from DICGC in respect of erstwhile PMC depositors, to the tune of ₹ 3.3 crores. In accordance with the Scheme, the Bank has credited these amounts received from DICGC to the respective depositors. Liability towards DICGC was reckoned on net present value basis in the initial recognition balance sheet. Accordingly, this additional cash assistance received from DICGC (₹ 3.3 crores) has also been reckoned at the net present value i.e. at ₹ 0.5 crores. The difference of ₹ 2.8 crores between the nominal value of ₹ 3.3 crores and net present value of ₹ 0.5 crore has been credited to Capital Reserve on Amalgamation, during the year, in accordance with the Scheme. (Previous year : ₹ 59 crores of further cash assistance was received from DICGC in respect of erstwhile PMC depositors, which was reckoned at net present value i.e. at ₹ 9 crores. The difference of ₹ 50 crores between the nominal value of ₹ 59 crores and net present value of ₹ 9 crores was credited to Capital Reserve on Amalgamation). Additionally, during the previous year, the Bank carried out reconciliation of liabilities towards depositors of erstwhile PMC bank. This resulted in increase in capital reserve to the extent of ₹ 7.12 crore, decrease in PNCPS by ₹ 0.02 crore, and decrease in share warrant by ₹ 0.09 crore and net increase/decrease in other liabilities/other assets by ₹ 7.23 crore in the previous year.
- xvi) The Bank has been advised by an independent firm of chartered accountants that in view of absence of guidance in the Accounting standards which are applicable to the bank namely Indian Generally accepted Accounting Principles (IGAAP) and considering that the fair value changes relating to restructured liabilities arising on account of amalgamation are not in the nature of expense, the Bank has recognised such fair value charge by debiting the profit and loss appropriation account and crediting the respective restructured liabilities. Accordingly, an amount of ₹ 257 crores (PY ₹ 249 crores) has been debited to Profit and Loss Appropriation account and ₹ 65 crores (PY ₹ 59 crore) has been credited to Reserve Fund for "Payable to DICGC" and the balance of ₹192 crores (PY ₹ 190 crores) has been credited to the Reserve Fund for "Payable to PMC depositors".
- (b) Title deeds of immovable properties and physical verification of fixed assets**
- i) The Bank has carried out physical verification of fixed assets of all the branches of erstwhile PMC Bank and accounted for the differences.
- ii) The Bank has obtained the title documents of all the immovable properties of erstwhile PMC Bank, except for a few properties, and the Bank is in the process of getting these titles transferred/changed in its name. Registration formalities/obtaining occupancy certificate, share certificate etc. are pending in respect of certain properties.
- (c) Fraud in erstwhile PMC Bank and disputes relating to erstwhile PMC Bank and the Scheme of Amalgamation.**
- i) Certain instances of fraud by Housing Development and Infrastructure Limited (HDIL) and its group companies in the erstwhile PMC Bank were detected in September 2019 and the said PMC Bank was placed under All Inclusive Directions (AID).
- ii) Legal Cases have also been filed against promoters of HDIL and erstwhile PMC Bank for taking criminal/civil action. In certain cases where writ petitions against the Bank have been filed, the Bank does not expect any liability in this regard.
- iii) Some of the depositors of erstwhile PMC have filed writ petition/public interest litigation against the said Bank and others for protecting the interest of depositors and for repayment of the deposits along with interest in full and also against the scheme of amalgamation. Some of the creditors have filed cases against the said PMC Bank for recovering their dues.
- iv) The Delhi High Court in November 2022 has dismissed the petition filed by certain depositors against Reserve Bank of India and others.
- v) As per the Scheme of Amalgamation referred to in note 10, depositor or creditor of the transferor Bank shall not be entitled to make any demand against the erstwhile PMC Bank or the Bank

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

(USFBL) in respect of any liability of the transferor Bank to the depositor/creditor except to the extent specified by the Scheme referred to hereinabove.

- vi) Accordingly, the Bank is of the opinion that the said claims of depositors or creditors of erstwhile PMC would not result in outflow of resources beyond the amount to which the Bank is liable as per the said Scheme.

(d) IRAC Automation

RBI vide its Notification No. DoS.CO.PPG./SEC.03/11.01.005/2020-21 dated September 14, 2020 on "Automation of Income Recognition, Asset Classification and Provisioning processes in banks" advised the banks to put in place / upgrade their systems to conform to the guidelines prescribed in the said Notification latest by June 30, 2021 in order to ensure the completeness and integrity of the automated Asset Classification (classification of advances/investments as NPA/NPI and their upgradation), Provisioning calculation and Income Recognition processes. In this regard, Bank has implemented the IRAC automation through third party system and currently the same is being stabilized.

(e) Internal/concurrent audit/System audit

The Bank has established the process of conducting the Risk Based Internal Audits by the in-house career internal auditors' team. The concurrent audit of Branches and other important operations of the Bank's processes are carried out by the Board approved external Auditors. There is annual IT/IS audit plan for technology operation and Information security, as required under RBI guidelines for reviewing various IT controls in the future after upgradation/integration of various systems, apart from audits of lending business and Management/Process Audits.

(f) Relaxations/forbearances granted by RBI

- i) Reserve Bank of India vide its letter dated October 12, 2021 has granted the relaxation/forbearances to the Bank giving additional time of 3 years over and above the period prescribed by RBI in the Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector dated December 5, 2019 ("SFB guidelines -2019") to comply with the following provisions:
- a) Achievement of Priority Sector lending target of 75% of Adjusted Net Bank Credit
- b) Requirement of at least 50% of loan portfolio to constitute loans and advances of upto Rs 25 lacs and
- c) Adherence to Exposure limit to single and group obligor for loans acquired from CFSL / CML / erstwhile PMC.

- ii) RBI vide its letter dated March 10, 2022 and through subsequent communication has permitted/given the following clarifications:

- a) Equity warrants may be included in the common equity
- b) Bank is permitted to treat payables to retail depositors of PMC Bank (more than Rs. 15 lacs) to be repaid at the end of 10 years ("10 year Retail Payables") as Tier II Bonds for the purpose of CRAR calculations.
- c) Certain restructured liabilities i.e. Perpetual Non-Cumulative Preference Shares ("PNCPS") is proposed to be BASEL III instrument. Since, the said instrument is issued pursuant to the Central Government notified scheme ("the Scheme"), to the extent there is any inconsistency, discrepancy or deviation with the applicable law, the provisions of the Scheme shall prevail.
- d) The restructured liabilities i.e. such as Perpetual Non-Cumulative Preference Shares (PNCPS), equity warrants, DICGC 10 years retail payable (allowed to be treated as Tier II capital) may not be included in the Net demand and time liabilities. Further, the deposits that the Bank needs to pay within the span of 5 years (excluding the deposits payable by DICGC) will come under the definition of deposits and attract CRR/SLR requirements.
- e) The Bank is permitted to grandfather the existing contracts in respect of foreign exchange business with customers of erstwhile PMC Bank.

- iii) RBI vide its letter dated May 18, 2022 has permitted the Bank to include the fair value of the DICGC and PNCPS liability in CET -1 Capital till the Bank lists itself.

- iv) During the year, the Bank has redeemed the principal protected secured redeemable non-convertible market linked debentures (MLDs) originally issued by the Centrum Financial Services Limited (CFSL), a NBFC from whom the business was acquired on Slump sale basis. NCDs issued by CFSL are fully secured by first ranking pari passu charge against the Bank's identified receivables.

Banks are precluded from creating floating charge on their assets. Since such borrowings have been acquired from CFSL (an NBFC) by the Bank (SFB), in terms of SFB guidelines -2019 issued by RBI, the grandfathering of the aforesaid borrowings has been permitted till their maturity.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

2 Regulatory Capital

a) Composition of Regulatory Capital

The Capital adequacy ratio ("CAR") has been computed as per operating guideline for Small Finance Bank in accordance with RBI Circular No. RBI/2016-17/81DBR. NBD.No.26/16.13.218/2016-17 dated October 6, 2016.

The Bank has followed Basel II standardized approach for credit risk in accordance with the Operating Guideline issued by the Reserve Bank of India for Small Finance banks. Further, the RBI vide its circular No. DBR.NBD.No. 4502/16.13.218/2017-18 dated November 8, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.

The following table set forth, for the year indicated, computation of Capital adequacy:

Particulars	(₹ in 000's)	
	March 31, 2024	March 31, 2023
Common Equity Tier 1 capital (Net of deductions, if any)*	1,453.23	1,276.04
Additional Tier 1 capital	-	-
Tier 1 capital *	1,453.23	1,276.04
Tier 2 capital *	1,206.00	1,045.35
Total capital (Tier 1 + Tier 2)	2,659.23	2,321.39
Total Risk weighted assets (RWAs)	7,294.10	4,698.82
Common Equity Tier 1 Capital ratio (%) (CET 1 as a percentage of RWAs))	19.92%	27.16%
Tier 1 capital ratio (%) (Tier 1 capital as a percentage of RWAs)	19.92%	27.16%
Tier 2 capital ratio (%) (Tier 2 capital as a percentage of RWAs)	16.53%	22.25%
Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	36.46%	49.40%
Leverage Ratio	11.08%	15.84%
Percentage of the shareholding of the Government of India in public sector banks	0.00%	0.00%
Amount of paid-up equity capital raised during the year*	-	-
Amount of non-equity Tier 1 capital raised of which;		
a) Perpetual Non Cumulative Preference Shares (PNCPS):	-	-
b) Perpetual Debt Instruments (PDI)	-	-
Amount of Tier 2 capital raised during the year, of which		
a) Perpetual Non Cumulative Preference Shares (PNCPS)	-	-
b) Perpetual Debt Instruments (PDI)	-	-

*Refer note 18(1)(a), (f)(ii), (f)(iii)

b) Capital Infusion

The Bank has not issued any equity shares during the year. (Previous Year : NIL)

Details of movement in the paid up equity share capital are as below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Equity shares	Amount	Equity shares	Amount
Equity shares at the beginning of the year	70,49,01,960	704.90	70,49,01,960	704.90
Addition pursuant to equity shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	70,49,01,960	704.90	70,49,01,960	704.90

c) Earnings per equity share

Particulars	(₹ in 000's)	
	March 31, 2024	March 31, 2023
Net Profit/(Loss) after tax (in crores)*	438.90	34.62
Less: Dividend on PNCPS	22.61	22.49
Net Profit/(Loss) after tax attributable to equity shareholders (in crores)	416.29	12.14
Weighted average number of equity shares in computing the basic earnings per share(#)	70,49,01,960	70,49,01,960

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

2 Regulatory Capital (Contd..)

Particulars	₹ in 000's	
	March 31, 2024	March 31, 2023
Basic earnings per share	5.91	0.17
Weighted average number of equity shares in computing the diluted earnings per share(#)	1,93,21,72,834	1,71,91,21,074
Diluted earnings per share	2.15	0.07
Nominal value per Share (₹)	10	10

*Net profit/(loss) is before appropriation towards DICGC and PMC depositors' liability. (Refer note 18(1)(a)(xiv))

d) Reconciliation of weighted average number of equity shares used in the computation of basic and diluted earnings per share:

Particulars	₹ in 000's	
	March 31, 2024	March 31, 2023
Weighted average number of equity shares in computing the basic earnings per share	70,49,01,960	70,49,01,960
Effect of potential equity shares outstanding	1,22,72,70,874	1,01,42,19,114
Weighted average number of equity shares in computing the diluted earnings per share	1,93,21,72,834	1,71,91,21,074

Basic earnings per equity share is computed by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at the end of the year.

Diluted earnings per equity share is computed by dividing the net profit or loss after tax for the year attributable to equity shareholder by weighted average number of equity shares including potential equity shares outstanding as at the end of the year, except when results are anti dilutive. . The dilutive impact is on account of share warrants granted to the holding company and stock options granted to employees by the Bank.

3 Reserves

a) Statutory Reserve

The Bank has reported Profit ₹ 438.9 crores during the year ended March 31, 2024 (Previous year Profit :₹ 34.62 crore) and hence the Bank has transferred ₹ 109.72 crore in Statutory Reserve.

b) Revenue and Other Reserves

No amount has been transferred to Revenue and Other Reserves during the year ended March 31, 2024. (Previous year Nil)

c) Capital Reserve

During the year ended March 31, 2024, the Bank has not appropriated any amount towards Capital Reserve (previous year: ₹ 0.14 Crore being the profit from sale of investments under HTM category, net of taxes).

d) Capital Reserve on Amalgamation

Refer note no. 18(1)(a)(xiv) and (xv)

e) Investment Fluctuation Reserve

During the year ended March 31, 2024, the Bank made transfer of ₹ 49.62 crore (previous year: Nil) to Investment Fluctuation Reserve.

f) Draw down from Reserves

The Bank has not undertaken any drawdown from reserves during the years ended March 31, 2024. (Previous Year : Nil)

g) Employee Stock Options Reserves

During the year ended March 31, 2024, the Bank has recognised ₹ 0.45 crore (previous year: ₹ 0.004 crore) as Employees Stock Options Reserve on account of fair valuation of share-linked instruments. There has been no exercise of option during the year.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

4 Accounting for employee share based payments :

The shareholders of the Bank approved the grant of equity stock options under the Unity Bank Employee Stock Option Scheme 2022' ("ESOS 2022" / "Scheme") which was approved by way of special resolution dated June 13, 2022. Under the terms of the Plan, the Bank may issue to its employees and Whole Time Directors, Equity Stock Options ('ESOPs') each of which is convertible into one equity share. The accounting for the stock options has been in accordance with the RBI guidelines to the extent applicable.

Employees of USFB are eligible for being granted Employee Stock Options under ESOS 2022. The specific Employees to whom the Options may be granted, and their Eligibility Criteria would be determined by Nomination and remuneration Committee.

ESOP Scheme 2022 provides for the issuance of options at the recommendation of the Nomination and Remuneration Committee of the Board ('NRC'). The Exercise Price per Option shall be determined by the Committee which shall not be lesser than the face value of Shares as on date of Grant.

Each Grant of Option under the ESOS 2022 shall be made in writing by the Bank to the eligible Employees in such form as may be approved under ESOS 2022 from time to time.

Vesting Period for any Options granted under this Scheme shall be subject to statutory minimum period of 1 (One) year and upto 5 (Five) years from the date of Grant, as determined by the Nomination and remuneration committee at the time of each Grant.

The shareholders of the Bank by way of special resolution Under the Scheme authorised the Board/ Committee to grant not exceeding 3,52,45,098 (Three Crore Fifty Two Lakhs Forty Five Thousand and Ninety Eight) Share Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into equal number of Shares of face value of ₹ 10 each fully paid up, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

The vesting conditions applicable to the options / units are at the discretion of the NRC. These options/ units are exercisable on vesting, for a period as set forth by the NRC at the time of the grant.

The Exercise Period in respect of a Vested Option shall be a period commencing from the relevant Vesting date of such Option and shall end with the expiry of 5 (Five) years or such other shorter period as approved by the Committee from the date of Grant of such Option.

Activity in the options / units outstanding under the Employee Stock Option Plans / RSUs.

(a) Activity in the options outstanding under the various employee stock option plans as at March 31, 2024:

Particulars	Number of Options	Weighted average exercise price
Options outstanding, beginning of year	1,57,80,400	15.43
Granted during the year	64,11,318	21.45
Exercised during the year	-	-
Forfeited / Lapsed during the year	(8,06,400)	18.85
Options outstanding, end of year	2,13,85,318	17.10

The following table summarises the information about stock options outstanding as at March 31, 2024:

Particulars	Range of exercise price	Number of shares arising out of options	Weighted average life of options (in years)	Weighted average exercise price (₹)
Employee Stock Option Scheme 2022	₹ 15 to ₹ 21.59	2,13,85,318	5	17.10

In accordance with the RBI clarification dated August 30, 2021, the Bank has estimated the fair value of the options / units granted after March 31, 2021 using Black-Scholes model

The assumptions considered in the model for valuing the ESOPs granted during the year ended March 31, 2024 are given below

Particulars	₹ in 000's	
	March 31, 2024	March 31, 2023
Expected volatility	13%	17.06%
Expected life of the options	5 years	5 years

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

5 Asset Liability Management**a) Maturity pattern of certain items of assets and liabilities as at March 31, 2024**

	Day 1	2-7 days	8-14 days	15 to 30 days	31 days to 2 Months	2 Months to 3 Months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	16.52	200.84	216.25	186.02	364.19	297.13	1,123.37	769.22	3,277.20	51.74	2.62	6,505.10
Advances	66.71	151.65	93.84	149.92	474.83	556.14	893.74	1,235.23	2,036.87	439.94	1,861.98	7,960.85
Investments	852.59	75.30	78.21	552.55	300.90	170.41	325.18	261.58	935.91	64.43	196.22	3,813.29
Borrowings	225.00	174.91	9.33	-	32.21	24.43	74.78	182.11	451.11	125.03	-	1,298.91
Foreign Currency Assets	2.32	-	-	-	-	-	-	0.07	0.48	-	13.44	16.31
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.

a) Maturity pattern of certain items of assets and liabilities as at March 31, 2023

	Day 1	2-7 days	8-14 days	15 to 30 days	31 days to 2 Months	2 Months to 3 Months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	6.78	70.91	90.67	29.03	71.46	120.83	358.56	240.19	1,661.16	34.56	0.48	2,684.63
Advances	66.56	45.69	45.47	133.83	245.60	239.16	366.78	495.07	1,262.24	740.39	827.40	4,468.19
Investments	751.36	113.61	140.47	145.06	80.12	318.65	121.16	68.34	411.57	187.38	98.08	2,435.80
Borrowings	0.00	256.65	1.00	3.39	7.10	16.70	20.24	21.46	52.06	50.00	0.00	428.60
Foreign Currency Assets	0.00	0.28	0.00	0.00	0.00	0.00	0.00	0.04	0.26	0.37	15.14	16.09
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

6 Liquidity Coverage Ratio (LCR)

Particulars	Quarter ended March 31, 2024		Quarter ended December 31, 2023		Quarter ended September 30, 2023		Quarter ended June 30, 2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA)		3,023.74		2,761.28		2,522.10		2,269.77
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	4,102.95	410.30	3,441.87	344.19	2,969.16	296.92	2,394.74	239.47
(i) Stable deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Less stable deposits	4,102.95	410.30	3,441.87	344.19	2,969.16	296.92	2,394.74	239.47
3. Unsecured wholesale funding, of which:	930.68	421.74	594.83	227.97	482.57	208.59	438.84	221.51
(i) Operational deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Non-operational deposits (all counterparties)	930.68	421.74	594.83	227.97	482.57	208.59	438.84	221.51
(iii) Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Secured wholesale funding		134.96		52.10		73.99		79.46
5. Additional requirements, of which	33.63	3.36	226.85	22.68	579.35	57.93	688.99	92.55
(i) Outflows related to derivative exposures and other collateral requirements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Credit and liquidity facilities	33.63	3.36	226.85	22.68	579.35	57.93	662.71	66.27
6. Other contractual funding obligations	90.95	90.95	49.80	49.80	35.21	35.21	26.28	26.28
7. Other contingent funding obligations	10.42	0.52	0.00	0.00	0.00	0.00	0.00	0.00
8. TOTAL CASH OUTFLOWS		1,061.83		696.73		672.64		659.27
Cash Inflows								
9. Secured lending (e.g. reverse repos)	166.24	0.00	51.67	0.00	132.29	0.00	91.23	0.00
10. Inflows from fully performing exposures	448.86	224.43	367.38	183.69	259.42	129.71	319.33	159.67
11. Other cash inflows	196.70	184.70	137.92	137.92	95.98	95.98	143.26	143.26
12. TOTAL CASH INFLOWS	811.80	409.13	556.97	321.61	487.68	225.69	553.82	302.92
TOTAL HQLA		3,023.74		2,761.28		2,522.10		2,269.77
TOTAL NET CASH OUTFLOWS		652.69		375.13		446.95		330.07
LIQUIDITY COVERAGE RATIO (%)		463.27		736.10		564.29		687.67

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

6 Liquidity Coverage Ratio (LCR) (Contd..)

Quantitative information on Liquidity coverage ratio (LCR) for the period ended March 31, 2023 is given below:

Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA)		2,172.87		2,212.64		2,648.01		4,541.21
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	2,037.72	202.32	1,760.73	105.77	1,617.11	89.75	2,512.38	162.28
(i) Stable deposits	29.07	1.45	1,406.12	70.31	1,439.18	71.96	1,779.07	88.95
(ii) Less stable deposits	2,008.65	200.86	354.60	35.46	177.94	17.79	733.31	73.33
3. Unsecured wholesale funding, of which:	165.99	150.13	80.56	80.56	1.52	1.52	11.47	11.47
(i) Operational deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Non-operational deposits (all counterparties)	165.99	150.13	80.56	80.56	0.00	0.00	0.00	0.00
(iii) Unsecured debt	0.00	0.00	0.00	0.00	1.52	1.52	11.47	11.47
4. Secured wholesale funding		55.68		73.31		167.76		266.43
5. Additional requirements, of which	652.25	65.23	541.59	54.16	465.85	46.58	0.00	0.00
(i) Outflows related to derivative exposures and other collateral requirements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Credit and liquidity facilities	652.25	65.23	541.59	54.16	465.85	46.58	0.00	0.00
6. Other contractual funding obligations	44.85	44.85	56.10	56.10	59.28	59.28	48.78	48.78
7. Other contingent funding obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. TOTAL CASH OUTFLOWS		518.20		369.90		364.90		488.96
Cash Inflows								
9. Secured lending (e.g. reverse repos)	113.34	0.00	150.84	0.00	279.57	0.00	1,632.06	0.00
10. Inflows from fully performing exposures	281.75	140.88	0.00	0.00	0.00	0.00	0.00	0.00
11. Other cash inflows	69.03	69.03	0.00	0.00	0.00	0.00	0.00	0.00
12. TOTAL CASH INFLOWS	464.12	209.91	150.84	0.00	279.57	0.00	1,632.06	0.00
TOTAL HQLA		2,172.87		2,212.64		2,648.01		4,541.21
TOTAL NET CASH OUTFLOWS		308.30		369.90		364.90		488.96
LIQUIDITY COVERAGE RATIO (%)		704.80		598.17		725.69		928.75

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

6 Liquidity Coverage Ratio (LCR) (Contd..)

Quantitative information on Liquidity Coverage Ratio (LCR) is given below:

The LCR is designed to ensure that banks hold a sufficient reserve of high-quality liquid assets (HQLA) to allow them to survive a period of significant liquidity stress lasting 30 calendar days. The 30-calendar-day stress period is the minimum period deemed necessary for corrective action to be taken by the bank's management or by supervisors. The LCR requires active banks to hold a stock of HQLA at least as large as expected total net cash outflows over the stress period, as summarised in the following formula:

$$\frac{\text{Stock of HQLA}}{\text{Total Net cash flows over the next 30 calendar days}} \geq 100\%$$

The total expected outflows are determined by multiplying the outstanding balances of various categories of liabilities and off-balance sheet commitments by the supervisory rates at which they are expected to run off or be drawn down. Total expected cash inflows are estimated by applying inflow rates to the outstanding balances of various contractual receivables. The difference between the stressed outflows and inflows is the minimum size of the HQLA stock

HQLA are cash or assets that can be converted into cash quickly through sales (or by being pledged as collateral) with no significant loss of value. A liquid asset can be included in the stock of HQLA if it is unencumbered, meets minimum liquidity criteria and its operational factors demonstrate that it can be disposed to generate liquidity when needed. HQLA comprises of cash in hand, excess CRR, excess SLR securities, maximum liquidity facility allowed by RBI under marginal standing facility (MSF - 2% of NDTL) and Facility to Avail Liquidity for Liquidity Coverage Ratio (FALLCR - 16% of NDTL). The Bank continues to remain comfortably placed on liquidity with LCR at 516.14% which is significantly above the regulatory requirement. The Bank continues to endeavour to build a granular and well-diversified funding base. The LCR is projected to come down in line with growing business requirements over the course of the year.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR)

ASF Item	As at March 31, 2024				As at December 31, 2023				Weightaged Value
	Unweighted value by residual maturity		Weightaged Value		Unweighted value by residual maturity		Weightaged Value		
	No maturity*	< 6 months to < 1yr	≥ 1yr	Weightaged Value	No maturity*	< 6 months to < 1yr	≥ 1yr	Weightaged Value	
1 Capital: (2+3)	2659.23	0.00	0.00	2659.23	2243.64	0.00	0.00	2243.64	
2 Regulatory capital	1453.23	0.00	0.00	1453.23	1119.70	0.00	0.00	1119.70	
3 Other capital instruments	1206.00	0.00	0.00	1206.00	1123.95	0.00	0.00	1123.95	
4 Retail deposits and deposits from small business customers: (5+6)	1020.61	1411.01	319.01	2475.57	895.59	1144.03	436.27	2228.29	
5 Stable deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6 Less stable deposits	1020.61	1411.01	319.01	2475.57	895.59	1144.03	436.27	2228.29	
7 Wholesale funding: (8+9)	10.15	399.89	616.19	513.12	0.00	197.20	365.76	281.48	
8 Operational deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9 Other wholesale funding	10.15	399.89	616.19	513.12	0.00	197.20	365.76	281.48	
10 Other liabilities: (11+12)	3949.90	0.00	0.00	4139.81	2793.06	0.00	0.00	4281.87	
11 NSFR derivative liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12 All other liabilities and equity not included in the above categories	3949.90	0.00	0.00	4139.81	2793.06	0.00	0.00	4281.87	
13 Total ASF (1+4+7+10)	-	-	-	9787.73	-	-	-	9035.29	
RSF Item									
14 Total NSFR high-quality liquid assets (HQLA)	564.63	244.45	149.72	1,851.59	469.57	287.68	137.47	2243.67	
15 Deposits held at other financial institutions for operational purposes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
16 Performing loans and securities: (17+18+19+21+23)	18.21	3021.22	1237.86	3561.94	15.67	2350.65	1062.33	2822.89	
17 Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	65.00	3.60	11.55	0.00	46.60	21.60	17.79	
19 Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	0.00	2956.22	1234.26	3258.32	0.00	2304.05	1040.73	2468.68	
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

	As at March 31, 2024					As at December 31, 2023				
	Unweighted value by residual maturity					Unweighted value by residual maturity				
	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	Weighted Value	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	Weighted Value
21	0.00	0.00	0.00	96.03	62.42	0.00	0.00	0.00	118.94	77.31
22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	18.21	0.00	0.00	207.60	191.94	15.67	0.00	0.00	235.27	213.30
24	25.78	0.01	0.02	2174.45	2200.27	26.08	0.08	0.00	2143.79	2169.94
25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.09
27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	25.78	0.01	0.02	2174.45	2200.27	25.97	0.08	0.00	2143.79	2169.85
30	45.77	0.00	0.00	22.24	2.96	38.73	0.00	0.00	0.00	1.94
31	-	-	-	-	7498.70	-	-	-	-	6419.79
32					130.53%					140.74%
ASF Item	As at September 30, 2023					As at June 30, 2023				
	Unweighted value by residual maturity					Unweighted value by residual maturity				
	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	Weighted Value	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	Weighted Value
1	2272.53	0.00	0.00	0.00	2272.53	2283.36	0.00	0.00	0.00	2283.36
2	1176.23	0.00	0.00	0.00	1176.23	1209.82	0.00	0.00	0.00	1209.82
3	1096.30	0.00	0.00	0.00	1096.30	1073.54	0.00	0.00	0.00	1073.54
4	868.27	700.75	633.23	0.00	1982.02	828.00	433.92	509.83	0.00	1594.56
5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	868.27	700.75	633.23	0.00	1982.02	828.00	433.92	509.83	0.00	1594.56
7	0.00	131.87	283.70	0.00	207.79	9.58	26.81	192.88	0.00	114.64
8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

	As at September 30, 2023				As at June 30, 2023				
	Unweighted value by residual maturity				Unweighted value by residual maturity				
	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
9 Other wholesale funding	0.00	131.87	283.70	0.00	9.58	26.81	192.88	0.00	114.64
10 Other liabilities: (1.1+12)	2434.13	2.15	0.00	4237.80	2125.01	2.28	0.00	4097.92	4097.92
11 NSFR derivative liabilities	0.00	2.15	0.00	0.00	0.00	2.28	0.00	0.00	0.00
12 All other liabilities and equity not included in the above categories	2434.13	-	-	4237.80	2125.01	0.00	0.00	4097.92	4097.92
13 Total ASF (1+4+7+10)	-	-	-	-	-	-	-	-	8090.48
RSF Item									
14 Total NSFR high-quality liquid assets (HQLA)	457.27	138.06	252.13	1,683.63	410.85	267.93	380.63	1519.81	146.68
15 Deposits held at other financial institutions for operational purposes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Performing loans and securities: (17+18+19+21+23)	12.39	2223.96	975.27	2711.10	11.44	1899.50	884.43	2638.42	3615.20
17 Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	5.32	32.24	0.00	0.00	40.20	3.50	0.00	7.78
19 Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	0.00	2218.64	943.03	2327.15	0.00	1809.61	880.92	2204.33	3218.95
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21 Performing residential mortgages, of which:	0.00	0.00	0.00	134.80	0.00	0.00	0.00	162.33	105.51
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23 Securities that are not in default and do not qualify as HQLA, including exchange traded equities	12.39	0.00	0.00	249.15	11.44	49.70	0.00	271.76	282.96
24 Other assets: (sum of rows 25 to 29)	0.10	0.11	0.00	1939.35	0.10	0.13	0.01	1782.56	1782.78
25 Physical traded commodities, including gold	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

	As at September 30, 2023				As at June 30, 2023				
	Unweighted value by residual maturity				Unweighted value by residual maturity				
	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	No maturity*	< 6 months	6 months to < 1yr	≥ 1yr	
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0.10	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.09
27 NSFR derivative assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28 NSFR derivative liabilities before deduction of variation margin posted	0.00	0.11	0.00	0.00	0.00	0.11	0.00	0.00	0.11
29 All other assets not included in the above categories	0.00	0.00	0.00	1939.35	0.00	0.01	0.01	1782.56	1782.58
30 Off-balance sheet items	546.00	0.00	0.00	0.00	573.40	0.00	0.00	0.00	28.67
31 Total RSF	-	-	-	-	-	-	-	-	5573.33
32 Net Stable Funding Ratio (%)									145.38%

Net Stable Funding ratio (NSFR)

ASF Item	As at March 31, 2023				As at December 31, 2022				
	Unweighted value by residual maturity				Unweighted value by residual maturity				
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1 Capital: (2+3)	2321.39	0.00	0.00	0.00	2478.72	0.00	0.00	0.00	2478.72
2 Regulatory capital	1276.04	0.00	0.00	0.00	1457.90	0.00	0.00	0.00	1457.90
3 Other capital instruments	1045.35	0.00	0.00	0.00	1020.82	0.00	0.00	0.00	1020.82
4 Retail deposits and deposits from small business customers: (5+6)	850.53	521.17	198.96	0.00	864.75	217.63	96.54	0.00	1040.97
5 Stable deposits	18.69	0.00	0.00	0.00	14.83	6.17	2.86	0.00	22.67
6 Less stable deposits	831.84	521.17	198.96	0.00	849.93	211.46	93.68	0.00	1018.30
7 Wholesale funding: (8+9)	12.75	13.36	62.69	0.00	0.00	0.00	40.86	0.00	20.43
8 Operational deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 Other wholesale funding	12.75	13.36	62.69	0.00	0.00	0.00	40.86	0.00	20.43
10 Other liabilities: (11+12)	1703.83	0.13	2.15	3681.64	1162.12	7.40	4.49	3787.52	3787.52
11 NSFR derivative liabilities	0.00	0.13	2.15	0.00	0.00	7.40	4.49	0.00	0.00
12 All other liabilities and equity not included in the above categories	1703.83	0.00	0.00	3681.64	1162.12	0.00	0.00	3787.52	3787.52
13 Total ASF (1+4+7+10)	-	-	-	-	-	-	-	-	7327.64

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

	As at March 31, 2023				As at December 31, 2022			
	Unweighted value by residual maturity		Weighted Value	Unweighted value by residual maturity		Weighted Value		
	No maturity	< 6 months to < 1yr		6 months to < 1yr	≥ 1yr			
RSF Item	-	-	-	-	-	-	-	-
14 Total NSFR high-quality liquid assets (HQLA)	386.30	545.54	109.24	1009.41	383.12	646.18	77.05	1293.03
15 Deposits held at other financial institutions for operational purposes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Performing loans and securities: (17+18+19+21+23)	12.81	561.42	3619.70	3015.17	11.81	1633.79	602.93	1888.83
17 Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	26.60	4.06	0.00	0.00	0.00	0.00	0.00
19 Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	0.00	534.82	3390.67	2717.62	0.00	1633.79	602.93	1724.20
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21 Performing residential mortgages, of which:	0.00	0.00	126.20	194.15	0.00	0.00	0.00	85.02
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	126.20	194.15	0.00	0.00	0.00	85.02
23 Securities that are not in default and do not qualify as HQLA, including exchange traded equities	12.81	0.00	98.78	103.40	11.81	0.00	0.00	79.62
24 Other assets: (sum of rows 25 to 29)	0.10	0.13	1240.82	78.90	0.10	5.42	4.82	1328.27
25 Physical traded commodities, including gold	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	0.10	0.00	0.09	0.00	0.10	0.00	0.00	0.00
27 NSFR derivative assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28 NSFR derivative liabilities before deduction of variation margin posted	0.00	0.11	0.11	0.00	0.00	0.59	0.00	0.00
29 All other assets not included in the above categories	0.00	0.02	1240.63	78.90	0.00	4.82	4.82	1328.27
30 Off-balance sheet items	698.56	0.00	34.93	0.00	594.92	0.00	0.00	29.75
31 Total RSF	-	-	5004.69	-	-	-	-	4194.56
32 Net Stable Funding Ratio (%)	-	-	149.10%	-	-	-	-	174.69%

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

ASF Item	As at Sept 30, 2022				As at June 30, 2022			
	Unweighted value by residual maturity		Weighted Value	Unweighted value by residual maturity		Weighted Value		
	No maturity	< 6 months to < 1yr		≥ 1yr	No maturity		< 6 months to < 1yr	≥ 1yr
1 Capital: (2+3)	2420.92	0.00	0.00	2420.92	23.57	0.00	0.00	2357.49
2 Regulatory capital	1424.58	0.00	0.00	1424.58	13.85	0.00	0.00	1385.00
3 Other capital instruments	996.34	0.00	0.00	996.34	9.72	0.00	0.00	972.49
4 Retail deposits and deposits from small business customers: (5+6)	980.69	45.60	159.76	1119.95	1094.58	30.24	133.51	1188.83
5 Stable deposits	892.67	15.62	141.81	997.60	1008.53	15.14	102.97	1070.30
6 Less stable deposits	88.02	29.97	17.94	122.35	86.05	15.11	30.54	118.53
7 Wholesale funding: (8+9)	0.00	0.00	73.35	36.67	0.00	4.00	94.67	49.33
8 Operational deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 Other wholesale funding	0.00	0.00	73.35	36.67	0.00	4.00	94.67	49.33
10 Other liabilities: (11+12)	916.42	1.47	13.19	3614.57	691.74	53.32	6.73	4593.13
11 NSFR derivative liabilities	0.00	1.47	13.19	0.00	0.00	53.32	6.73	2.89
12 All other liabilities and equity not included in the above categories	916.42	0.00	0.00	3614.57	691.74	0.00	0.00	4590.30
13 Total ASF (1+4+7+10)	-	0.00	0.00	7192.10	0.00	0.00	0.00	8185.96
NSF Item	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14 Total NSFR high-quality liquid assets (HQLA)	413.31	161.41	688.47	1100.65	358.29	935.17	710.81	150.20
15 Deposits held at other financial institutions for operational purposes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16 Performing loans and securities: (17+18+19+21+23)	0.00	1418.25	849.12	1479.02	0.00	927.28	429.31	1345.77
17 Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	0.00	0.00	0.00	0.00	0.00	26.50	13.25
19 Performing loans to nonfinancial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	0.00	1418.25	849.12	1306.14	0.00	927.28	402.81	1100.14
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21 Performing residential mortgages, of which:	0.00	0.00	0.00	87.43	0.00	0.00	0.00	124.94

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

7 Net Stable Funding ratio (NSFR) (Contd..)

	As at Sept 30, 2022				As at June 30, 2022				
	Unweighted value by residual maturity		Weighted Value	Unweighted value by residual maturity		Weighted Value	Unweighted value by residual maturity		
	No maturity	< 6 months to < 1yr		>= 1yr	No maturity		< 6 months to < 1yr	>= 1yr	
22	0.00	0.00	56.83	0.00	0.00	192.22	0.00	124.94	
With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk									
23	0.00	0.00	72.64	0.00	0.00	53.41	0.00	45.40	
Securities that are not in default and do not qualify as HQLA, including exchange traded equities									
24	0.62	9.54	1390.47	5.50	1374.89	12.48	7.58	1440.90	
Other assets: (sum of rows 25 to 29)									
25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Physical traded commodities, including gold									
26	0.62	0.00	0.53	0.00	0.00	0.00	0.00	0.77	
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs									
27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
NSFR derivative assets									
28	0.00	0.73	0.73	0.00	0.00	3.15	0.00	3.15	
NSFR derivative liabilities before deduction of variation margin posted									
29	0.00	8.81	1389.21	5.50	1374.89	12.48	4.43	1436.99	
All other assets not included in the above categories									
30	476.57	0.00	23.83	0.00	269.04	0.00	0.00	13.45	
Off-balance sheet items									
31	-	-	3892.61	-	-	-	-	3388.31	
Total RSF									
32			185%					242%	
Net Stable Funding Ratio (%)									

The Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR) are significant components of the Basel III reforms. The LCR promotes short term resilience of a bank's liquidity profile. The NSFR on the other hand ensures reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.

The objective of NSFR is to ensure that banks maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the probability of erosion of a bank's liquidity position due to disruptions in a bank's regular sources of funding that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items, and promotes funding stability.

Stock of HQLA ≥ 100%
 Total Net cash flows over the next 30 calendar days

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available stable funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures

The Bank maintained a comfortable NSFR, well above the regulatory requirement of 130.53% for year ending March 31, 2024 (Previous Year : 149.10%).

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

8 Investments

a) Composition of Investments Portfolio (Investment in India) :

Sr. No	Particulars	As at March 31, 2024						Total investments in India
		Government securities	Other approved securities	Shares	Debentures and Bonds*	Subsidiaries and/ or Joint Ventures	Others	
Held to Maturity								
i)	Gross	1,461.89	-	-	-	-	-	1,461.89
ii)	Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-
iii)	Net	1,461.89	-	-	-	-	-	1,461.89
Available for Sale								
i)	Gross	857.35	-	54.87	816.73	-	731.30	2,460.24
ii)	Less: Provision for depreciation and NPI	4.87	-	6.02	1.98	-	89.12	102.00
iii)	Net	852.47	-	48.85	814.75	-	642.18	2,358.25
Held for Trading								
i)	Gross	4.57	-	-	-	-	-	4.57
ii)	Less: Provision for depreciation and NPI	-	-	-	-	-	-	-
iii)	Net	4.57	-	-	-	-	-	4.57
Total Investments								
	Gross	2,323.80	-	54.87	816.73	-	731.30	3,926.70
	Less: Provision for non-performing investments	-	-	-	1.98	-	-	1.98
	Less: Provision for depreciation and NPI	4.87	-	6.02	-	-	89.12	100.02
	Net	2,318.92	-	48.85	814.75	-	642.18	3,824.70

Composition of Investments Portfolio (Investment in India) :

Sr. No	Particulars	As at March 31, 2024						Total investments in India
		Government securities	Other approved securities	Shares	Debentures and Bonds*	Subsidiaries and/ or Joint Ventures	Others	
Held to Maturity								
i)	Gross	903.90	-	-	-	-	-	903.90
ii)	Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-
iii)	Net	903.90	-	-	-	-	-	903.90
Available for Sale								
i)	Gross	627.44	-	17.64	389.00	-	591.71	1,625.79
ii)	Less: Provision for depreciation and NPI	7.26	-	6.89	2.63	-	89.12	105.90
iii)	Net	620.18	-	10.75	386.37	-	502.59	1,519.89

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

8 Investments (Contd..)

Sr. No	Particulars	As at March 31, 2024						Total investments in India
		Government securities	Other approved securities	Shares	Debentures and Bonds*	Subsidiaries and/ or Joint Ventures	Others	
Held for Trading								
i)	Gross	12.01	-	-	-	-	-	12.01
ii)	Less: Provision for depreciation and NPI	-	-	-	-	-	-	-
iii)	Net	12.01	-	-	-	-	-	12.01
Total Investments								
	Gross	1,543.35	-	17.64	389.00	-	591.71	2,541.70
	Less: Provision for non- performing investments	-	-	-	1.98	-	-	1.98
	Less: Provision for depreciation and NPI	7.26	-	6.89	0.65	-	89.12	103.92
	Net	1,536.09	-	10.75	386.37	-	502.59	2,435.80

* Grand-fathered Investment-NCD in the nature of Loan.

Composition of Investments Portfolio (Investment Outside India) :

As at March 31, 2024, the bank did not have any investment portfolio outside India (Previous Year : NIL).

b) Movement of provisions for Deprecation and Investment Fluctuation Reserves :

	March 31, 2024	March 31, 2023
1	Movement of provisions held towards depreciation on investments	
	(i) Opening balance	103.92
	(ii) Add: Additions on amalgamation of PMC (schedule 18 note (1))	-
	(iii) Add: Provisions made during the year	8.96
	(iv) Less: Write off / write back of excess provisions during the year	12.86
	(v) Closing balance	100.02
2	Movement of Investment Fluctuation Reserve	
	(i) Opening balance	-
	(ii) Add: Amount transferred during the year	49.29
	(iii) Less: Drawdown	-
	(iv) Closing balance	49.29
3	Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	-

c) Sale and transfer of securities to / from HTM category

During the year ended March 31, 2024, there has been no sale from, and transfer to / from, HTM category in excess of 5% of the book value of investments held in the HTM category at the beginning of the year.

d) Non-SLR investment portfolio

Issuer composition of Non-SLR investments as at March 31, 2024 :

Sr. No	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities**
1	2	3	4	5	6	7
a)	PSUs	323.70	308.94	-	-	-
b)	FIs	194.71	194.71	-	-	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

8 Investments (Contd..)

Sr. No	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities**
1	2	3	4	5	6	7
c)	Banks	216.18	213.69	-	-	-
d)	Private Corporates	105.88	99.85	-	-	-
e)	Subsidiaries / Joint Ventures	-	-	-	-	-
f)	Others	760.45	759.10	-	-	2.47
g)	Provision held towards depreciation	95.13	-	-	-	-
	Total	1,505.78	1,576.28	-	-	2.47

Issuer composition of Non-SLR investments as at March 31, 2023 :

Sr. No	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities**
1	2	3	4	5	6	7
a)	PSUs	373.22	126.60	-	-	-
b)	FIs	-	-	-	-	-
c)	Banks	77.36	45.65	-	-	-
d)	Private Corporates	455.14	277.88	-	3.21	3.21
e)	Subsidiaries / Joint Ventures	-	-	-	-	-
f)	Others	90.65	0.46	-	90.65	90.65
g)	Provision held towards depreciation	96.66	-	-	-	-
	Total	899.71	450.59	-	93.86	93.86

2 Amounts reported under columns 4, 5, 6 and 7 above are not be mutually exclusive

ii) Non performing Non SLR Investments

Sr. No	Particulars	As at March 31, 2024	As at March 31, 2023
a)	Opening balance	1.98	1.98
b)	Addition during the year*	-	-
c)	Reductions during the above period	-	-
d)	Closing balance	1.98	1.98
e)	Total provisions held	1.98	1.98

*Refer note 18(1)(a).

e) Details of Repo / Reverse Repo including under Liquidity Adjustment Facility (LAF) transactions (In face value terms) :

Sr. No	Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2024
1	Securities sold under repo				
	i. Government securities	1.00	225.00	24.10	225.00
	ii. Corporate debt securities	-	-	-	-
2	Securities purchased under reverse repo				

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

8 Investments (Contd..)

i. Government securities	20.18	589.52	222.04	-
ii. Corporate debt securities	-	-	-	-

Details of Repo / Reverse Repo including under Liquidity Adjustment Facility (LAF) transactions (In face value terms) :

Sr. No	Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2023
1	Securities sold under repo				
i.	Government securities	2.00	250.00	31.86	85.52
ii.	Corporate debt securities	-	-	-	-
2	Securities purchased under reverse repo				
i.	Government securities	10.00	4,226.26	366.71	-
ii.	Corporate debt securities	-	-	-	-

Details of Tri-party repo / reverse repo deals (in amount of funds borrowed or lent terms) done during the year ended March 31, 2024:

Sr. No	Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2024
1	Securities sold under Tri-Party repo				
i.	Government securities	10.00	434.71	115.71	174.91
ii.	Corporate debt securities	-	-	-	-
iii.	Any other securities	-	-	-	-
2	Securities purchased under Tri- Party reverse repo				
i.	Government securities	1.00	389.93	106.63	-
ii.	Corporate debt securities	-	-	-	-
iii.	Any other securities	-	-	-	-

Details of Tri-party repo / reverse repo deals (in amount of funds borrowed or lent terms) done during the year ended March 31, 2023:

Sr. No	Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on March 31, 2023
1	Securities sold under Tri-Party repo				
i.	Government securities	14.99	169.90	82.18	169.90
ii.	Corporate debt securities	-	-	-	-
iii.	Any other securities	-	-	-	-
2	Securities purchased under Tri- Party reverse repo				
i.	Government securities	49.98	49.98	24.99	-
ii.	Corporate debt securities	-	-	-	-
iii.	Any other securities	-	-	-	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

9 Asset Quality

a) Classification of advances and provisions held as at March 31, 2024:

Sr. No	Particulars	Standard	Non Performing			Total	
		Total Standard Advances	Sub-Standard	Doubtful	Loss		Total Non - Performing Advances
Gross Standard Advances and NPAs							
i)	Opening Balance	4,452.90	51.06	656.25	3,060.06	3,767.36	8,220.26
ii)	Add: Additions during the year	-	-	-	-	168.49	
iii)	Less: Reductions during the year*	-	-	-	-	(3,575.64)	
iv)	Closing balance	7,910.48	166.20	178.18	15.82	360.21	8,270.68
*Reductions in Gross NPAs due to:							
i)	Upgradation	-	-	-	-	26.54	
ii)	Recoveries (excluding recoveries from upgraded accounts)	-	-	-	-	143.18	
iii)	Technical/Prudential Write-offs	-	-	-	-	3,391.95	
iv)	Write-offs other than those under (iii) above	-	-	-	-	13.97	
Provisions (excluding Floating Provisions)							
i)	Opening balance of provisions held	19.26	38.85	653.14	3,060.06	3,752.05	3,771.31
ii)	Add: Fresh provisions made during the year	-	-	-	-	128.32	
iii)	Less: Excess provision reversed/ Write-off loans	-	-	-	-	(3,570.54)	
iv)	Closing balance of provisions held	36.89	117.93	176.08	15.82	309.83	346.72
Net NPAs							
i)	Opening balance	-	12.21	3.11	(0.00)	15.31	15.31
ii)	Add: Fresh addition made during the year	-	-	-	-	48.91	
iii)	Less: Reduction during the year	-	-	-	-	(13.84)	
iv)	Closing Balance	-	48.27	2.10	-	50.38	50.38
Floating Provisions							
i)	Opening Balance						-
ii)	Add: Additional provisions made during the year						-
iii)	Less: Amount drawn down during the year						-
iv)	Closing balance of floating provisions						-
Technical write-offs and the recoveries made thereon							
i)	Opening balance of Technical/ Prudential written-off accounts						-
ii)	Add: Technical/ Prudential write-offs during the year						3,391.95
iii)	Less: Recoveries made from previously technical/ prudential written-off accounts during the year						15.18
	Less: Actual Waiver						5.58
iv)	Closing balance						3,371.19

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

9 Asset Quality (Contd..)

a) (Contd..)

Classification of advances and provisions held as at March 31, 2023:

Sr. No	Particulars	Standard		Non Performing			Total
		Total Standard Advances	Sub-Standard	Doubtful	Loss	Total Non - Performing Advances	
Gross Standard Advances and NPAs							
i)	Opening Balance	2,222.23	96.33	1,007.93	2,669.05	3,773.30	5,995.52
ii)	Add: Additions during the year	-	-	-	-	151.30	-
iii)	Less: Reductions during the year*	-	-	-	-	157.24	-
iv)	Closing balance	4,452.90	51.06	656.25	3,060.06	3,767.36	8,220.26
*Reductions in Gross NPAs due to:							
i)	Upgradation	-	-	-	-	66.21	-
ii)	Recoveries (excluding recoveries from upgraded accounts)	-	-	-	-	82.21	-
iii)	Technical/Prudential Write-offs	-	-	-	-	-	-
iv)	Write-offs other than those under (iii) above	-	-	-	-	8.81	-
Provisions (excluding Floating Provisions)							
i)	Opening balance of provisions held	12.52	21.39	885.97	2,669.05	3,576.41	3,588.93
ii)	Add: Fresh provisions made during the year	-	-	-	-	285.26	285.26
iii)	Less: Excess provision reversed/ Write-off loans	-	-	-	-	109.62	109.62
iv)	Closing balance of provisions held	19.26	38.85	653.14	3,060.06	3,752.05	3,771.31
Net NPAs							
i)	Opening balance	-	74.93	121.96	-	196.89	196.89
ii)	Add: Fresh addition made during the year	-	-	-	-	13.13	13.13
iii)	Less: Reduction during the year	-	-	-	-	194.72	194.72
iv)	Closing Balance	-	12.21	3.11	-	15.31	15.31
Floating Provisions							
i)	Opening Balance	-	-	-	-	-	-
ii)	Add: Additional provisions made during the year	-	-	-	-	-	-
iii)	Less: Amount drawn down during the year	-	-	-	-	-	-
iv)	Closing balance of floating provisions	-	-	-	-	-	-
Technical write-offs and the recoveries made thereon							
i)	Opening balance of Technical/ Prudential written-off accounts	-	-	-	-	-	-
ii)	Add: Technical/ Prudential write-offs during the year	-	-	-	-	-	-
iii)	Less: Recoveries made from previously technical/ prudential written-off accounts during the year	-	-	-	-	-	-
iv)	Closing balance	-	-	-	-	-	-

Sr. No	Ratios (In Percent)	As at March 31, 2024	As at March 31, 2023
1	Gross NPA to Gross Advances (GNPA)	4.36%	45.83%
2	Net NPA to Net Advances (NNPA)	0.63%	0.34%
3	Provision coverage ratio (PCR)	98.66%	99.59%

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

9 Asset Quality (Contd..)

b) Details of transfer of loan exposure

During the year, the Bank has transferred/acquired loan exposure (including standard and stressed account) under master direction "RBI (Transfer of Loan Exposure) Directives, 2021.

Details of loans not in default transferred to other entities

Particulars	March 31, 2024
Aggregate amount of loans transferred	45.36
Aggregate consideration received	45.36
Weighted average residual maturity	N.A
Weighted average holding period of originator	6.70 years
Retention of beneficial economic interest by originator	N.A
Coverage of tangible security coverage (%)	100%
Rating-wise distribution of rated loans	Not Rated

Details of stressed loans transferred (Including written off accounts) during the year ended 31 March, 2024:

(₹ in crores except number of accounts)

Particulars	To ARC's		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
No. of accounts	1.00	-	-	-	-	-
Aggregate principal outstanding of loans transferred (on the date of transfer)	5.00	-	-	-	-	-
Weighted average residual tenor of the loans transferred	-	-	-	-	-	-
Net book value of the loans transferred (at the time of transfer)	5.00	-	-	-	-	-
Aggregate consideration	11.71	-	-	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

Details of loans not in default transferred to other entities during the previous financial Year ended March 31, 2023:

Particulars	March 31, 2024
Aggregate amount of loans transferred	50.04
Aggregate consideration received	50.04
Weighted average residual maturity	N.A.
Weighted average holding period of originator	5.58 Years
Retention of beneficial economic interest by originator	N.A.
Coverage of tangible security coverage (%)	100%
Rating-wise distribution of rated loans	Not Rated

Details of stressed loans transferred (Including written off accounts) during the year ended 31 March, 2023:

(₹ in crores except number of accounts)

Particulars	To ARC's		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
No. of accounts	-	-	2215	-	-	-
Aggregate principal outstanding of loans transferred (on the date of transfer)	-	-	9.06	-	-	-
Weighted average residual tenor of the loans transferred	-	-	N.A.	-	-	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

9 Asset Quality (Contd..)

(₹ in crores except number of accounts)

Particulars	To ARC's		To permitted transferees		To other transferees	
	NPA	SMA	NPA	SMA	NPA	SMA
Net book value of the loans transferred (at the time of transfer)	-	-	-	-	-	-
Aggregate consideration	-	-	0.17	-	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-

During the year Bank has sold the Write off pool of ₹ 22.71 crore against the consideration of ₹ 0.42 crore to NBFC.

c) Sector-wise Advances and Gross NPAs

Sr. No	Particulars (Sectors)	As at March 31, 2024			As at March 31, 2023		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
I)	Priority Sector						
a)	Agriculture and allied activities	1,377.59	29.64	2.15%	573.25	11.74	2.05%
b)	Advances to industries sector eligible as priority	1,738.20	27.83	1.60%	921.56	4.07	0.44%
c)	Services	3,014.63	50.88	1.69%	1,438.79	14.82	1.03%
d)	Personal loans	654.60	44.75	6.84%	486.55	42.88	8.81%
	of which Micro finance/credit	653.92	44.70	6.84%	485.47	42.87	8.83%
	Sub Total (i)	6,785.02	153.10	2.26%	3,420.15	73.51	2.15%
II)	Non Priority Sector						
a)	Agriculture and allied activities	0.02	0.02	100.00%	0.26	0.22	81.28%
b)	Industry	85.34	9.85	11.54%	386.94	354.47	91.61%
c)	Services	391.31	67.11	17.15%	3,022.92	2,937.67	97.18%
	of which commercial Real estate	50.31	50.31	100.00%	2,581.17	2,577.27	99.85%
d)	Personal loans	1,008.98	130.14	12.90%	1,389.96	401.49	28.88%
	of which Housing loan	136.72	36.50	26.70%	240.59	46.44	19.30%
	Sub Total (ii)	1,485.65	207.11	13.94%	4,800.08	3,693.85	76.95%
	Total (I + II)	8,270.68	360.21	4.36%	8,220.23	3,767.36	45.83%

d) Overseas assets, NPAs and revenue

As at March 31, 2024, the Bank does not have any overseas branches and hence the disclosure regarding overseas assets, NPAs and revenue is not applicable. (Previous Year : Nil)

e) Divergence in asset classification and provisioning

RBI vide its circular no. DOR.ACC.REC.No.45/21.04.018/2021-22 dated 30 August 2021, has directed banks to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to financial statements, wherever either-

- the additional provisioning requirements assessed by RBI exceed 15% of the reported net profits before provisions and contingencies or
- the additional gross NPAs identified by RBI exceed 15% of the published incremental gross NPAs for the reference period, or both.

The RBI Annual Financial Inspection for March 31, 2023 is concluded, however the report is awaited.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

9 Asset Quality (Contd..)

f) Disclosure under Resolution Framework for COVID-19-related Stress

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A), amount written off during the year	Of (A), amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the year i.e. March 31, 2024
Personal Loans	9.62	1.67	-	1.77	6.17
Corporate persons	5.89	0.33	-	4.00	1.56
Of which MSMEs	2.49	0.33	-	0.60	1.56
Others	-	-	-	-	-
Total	15.51	2.00	-	5.77	7.73

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A), amount written off during the year	Of (A), amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the year i.e. March 31, 2023
Personal Loans	19.83	5.03	-	5.18	9.62
Corporate persons	17.17	1.66	-	9.62	5.89
Of which MSMEs	3.31	0.43	-	0.39	2.49
Others	-	-	-	-	-
Total	37.00	6.69	-	14.80	15.51

g) Details of resolution plan implemented under Prudential Framework for Resolution of Stressed Assets

There were below 6 accounts that have been restructured under Prudential Framework for Resolution of Stressed Assets as per RBI circular RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 during the year ended March 31, 2024. (Previous year : Nil)

Particulars	March 31, 2024
No. of Accounts Restructured	6
Outstanding amount	9.52
Provision Amount	9.52

h) Particulars of account restructured for Micro, small and medium enterprise sector based on RBI guidelines dated January 01, 2019 and further extended by RBI circular dated February 11, 2020 and August 6, 2020

The Bank has restructured account as below:

Particular	As at March 31, 2024	As at March 31, 2023
No. of Accounts Restructured	15	57
Outstanding amount	2.50	15.41
Provision Amount	0.18	3.40

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

10 Exposures**a) Exposure to real estate sector**

Category	March 31, 2024	March 31, 2023
i) Direct exposure		
a) Residential Mortgages - (of which housing loans eligible for inclusion in priority sector advances)	136.35	240.59
b) Commercial Real Estate	50.31	2,581.17
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures	-	3.40
i) Residential	-	3.40
ii) Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	186.66	2,825.16

b) Exposure to capital market

Category	As at March 31, 2024	As at March 31, 2023
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	106.04	21.20
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
Bridge loans to companies against expected equity flows / issues	-	-
Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
Financing to stockbrokers for margin trading	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market	106.04	21.20

(₹ in 000's)

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

10 Exposures (Contd..)

c) Risk category-wise country exposure

Risk category	As at March 31, 2024		As at March 31, 2023	
	Exposure (net)	Provision held	Exposure (net)	Provision held
Insignificant	16.31	-	16.09	-
Low	-	-	-	-
Moderately low	-	-	-	-
Moderate	-	-	-	-
Moderate high	-	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Total	16.31		16.09	

d) Unsecured advances

Category	March 31, 2024	March 31, 2023
Total unsecured advances of the bank*	5,341	6,024
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

*Represents Gross advances

e) Factoring exposures

During FY 2023-24, the Bank has not entered into any factoring transactions.

f) Intra-group exposures

Category	March 31, 2024	March 31, 2023
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the bank on borrowers/customers	0.00%	0.00%
Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	Nil	Nil

g) Unhedged Foreign Currency Exposure (UFCE)

The Bank doesn't have any unhedged foreign currency exposure as at March 31, 2024. (Previous Year : Nil)

h) Details of Single Counterparty limit/limit for group of connected counterparties exceeded by Bank-

During the year ended March 31, 2024, The Bank's assets are within the limit in respect of single counterparty and group of connected counterparties on disbursement made post November 1, 2021. Also, refer note 18 (1) (f) in relation to relaxation granted by RBI. (Previous Year : Nil)

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

11 Concentration of Deposits, Advances, Exposures and NPAs

a) Concentration of Deposits

Particulars	As at March 31, 2024	As at March 31, 2023
Total Deposits of twenty largest depositors*	1,246.60	421.47
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	19.31%	15.70%

*Certificate of Deposit is excluded

b) Concentration of Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Total advances of twenty largest borrowers**	402.96	2,723.12
Percentage of advances of twenty largest borrowers to Total advances of the bank	4.87%	32.93%

*Advances are computed as per the definition of Credit Exposure as prescribed in Master Circular on Exposure Norms DBR.No. Dir. BC. 12/13.03.00/2015-16 dated July 1, 2015

**During the year, the Bank has done a technical write off of erstwhile PMC portfolio for Rs. 3,391.45 Crores which includes HDIL group and Uttam group, as these groups were forming part of Top 20 advances reported on March 31, 2023, percentage of concentration has decreased in current year.

c) Concentration of Exposures *

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure of twenty largest borrowers/customers#	1,288.43	2,987.68
Percentage of Exposures of twenty largest borrowers/customers to Total exposures of the bank on borrowers/customers	13.07%	32.36%

*Exposure is based on Credit and investment Exposure as prescribed in RBI's Master Circular on Exposure Norms.

#During the year, the Bank has done a technical write off of erstwhile PMC portfolio for Rs. 3,391.45 Crores which includes HDIL group and Uttam group, as these groups were forming part of Top 20 exposures reported on March 31, 2023, percentage of concentration has decreased in current year.

d) Concentration of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure of twenty NPA accounts#	149.22	2,723.12
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	41.43%	72.58%

#During the year, the Bank has done a technical write off of erstwhile PMC portfolio for Rs. 3,391.45 Crores which includes HDIL group and Uttam group, as these groups were forming part of Top 20 NPAs reported on March 31, 2023, percentage of concentration has decreased in current year.

12 Derivatives

a) Forward rate agreements /Interest rate swap

- During the year ended March 31, 2024, the Bank has not undertaken Forward Rate Agreement / Interest Rate Swap/ Credit default Swap and Exchange Traded Interest Rate Derivatives. Therefore, there is no outstanding position as at the year end. (Previous Year : Nil)
- The Bank issues market linked debentures (MLD) which has a component in the nature of "Embedded derivatives- Market linked derivatives". Further to hedge it enters into options which is in the nature of "Index linked derivatives- options". Derivatives are entered for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Bank has elected not to apply hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets & Liabilities together with their notional amounts.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

12 Derivatives (Contd..)

The notional amounts indicate the value of transactions outstanding at the year end March 31, 2024 and are not indicative of either the market risk or credit risk.

Particulars	Notional	Fair value asset	Notional	Fair value liability
(i) Index linked derivatives				
Options purchased	-	-	-	-
Subtotal(i)	-	-	-	-
(ii) Embedded derivatives				
In market linked debentures	-	-	-	-
Subtotal(ii)	-	-	-	-

The table below shows the fair values of derivative financial instruments recorded as assets & Liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end March 31, 2023 and are not indicative of either the market risk or credit risk.

Particulars	Notional	Fair value asset	Notional	Fair value liability
(i) Index linked derivatives				
Options purchased	-	-	-	-
Subtotal(i)	-	-	-	-
(ii) Embedded derivatives				
In market linked debentures	-	-	-	2.28
Subtotal(ii)	-	-	-	2.28

13 Disclosures relating to securitisation

a) The outstanding securitisation transaction as on March 31, 2024 is as below:

(Previous Year : Nil)

Sr. No	Particulars	March 31, 2024	March 31, 2023
1	No of SPV's sponsored by the Bank for Securitization Transaction	-	-
2	Total		
	a) No. and;	346 (Total Live Contracts)	-
	b) Amount of securitised assets as per books of the SPVs sponsored by the bank - total pool as on March 31, 2024	70.01	-
3	Total amount of exposures retained by the bank to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off Balance Sheet exposure		
	i) Cash Collateral	2.54	-
	ii) Others (Liquidity Facility)	1.69	-
	b) On Balance Sheet exposures	5.92	-
	i) First Loss	-	-
	ii) Second Loss	-	-
4	Amount of exposure to securitization transaction other than MRR		
	a) Off Balance Sheet exposure	-	-
	i) Exposure to own securitization	-	-
	- First Loss	-	-
	- Second Loss	-	-
	ii) Exposure to third party securitizations	-	-
	- First Loss	-	-
	- Second Loss	-	-
	b) On Balance Sheet exposures	-	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

13 Disclosures relating to securitisation (Contd..)

Sr. No	Particulars	March 31, 2024	March 31, 2023
	i) Exposure to own securitization	-	-
	- First Loss	-	-
	- Second Loss	-	-
	ii) Exposure to third party securitizations	-	-
	- First Loss	-	-
	- Second Loss	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation		
	a) Deal size	84.54	-
	b) Sale consideration received	78.62	-
	c) For Gain/loss	Nil	-
6	Form and quantum (outstanding value) of services provided by way of credit enhancement, liquidity support, post-securitisation asset servicing, etc		
	a) Total Credit Enhancement provided	4.23	-
	b) Cash Collateral*	2.54	-
	c) Liquidity Facility*	1.69	-
	(Both Cash Credit and Liquidity Facility have been provided by way of Fixed Deposit with Axis Bank)		

b) Details of Direct assignment transactions

During the year ended March 31, 2024, the Bank has not entered into any new direct assignment transaction. Outstanding direct assignment as at March 31, 2024 and March 31, 2023 are stated below:

Sr. No	Particular	March 31, 2024	March 31, 2023
(i)	No. of accounts	592	1,724
(ii)	Aggregate value of accounts sold to SC	-	-
(iii)	Aggregate Consideration	-	-
(iv)	Aggregate gain over net book value	-	-
(v)	Outstanding balance (net)	8.60	14.96

c) Details of book value of investment in Security receipts (SRs):

As at March 31, 2024, the Bank has investment of INR 89.12 crore (Previous Year: ₹ 89.12 Crore) in security receipts. The Bank has 100% provision against Security receipts.

	Particulars	SR issued within past 5 years	SR issued more than 5 years ago but within past 8 years	SR issued more than 8 year ago
a)	Book value of SR where NPA sold by the Bank are underlying	89.12	-	-
	Provisions held against (a)	89.12	-	-
b)	Book value of SR where NPA sold by the other banks/ financials institutions / non-banking financials companies are underlying	-	-	-
	Provisions held against (b)	-	-	-
	Total (a) + (b)	89.12	-	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

13 Disclosures relating to securitisation (Contd..)

Details of ratings of SR outstanding as on March 31, 2024 are given below:-

Ratings	Rating Agency	Recovery Rating	Gross value of outstandings (Rs. In Cr)
IND RR4	India Research & ratings	More than 25% and upto 50%	89.12

Details of ratings of SRs are given below as on March 31, 2024-

Particulars	Rating Agency	Rating
CFMARC	India ratings & Research	IND RR4
TRUST - 1		
PMC		

Details of ratings of SRs are given below as on March 31, 2023-

Particulars	Rating Agency	Rating
CFMARC	India ratings & Research	IND RR4
TRUST - 1		
PMC		

d) Inter-Bank Participation with risk sharing

The aggregate amount of participation issued by the Bank and reduced from advances as per regulatory guidelines as at March 31, 2024 is ₹ 559.54 Crores (Previous Year: As at March 31, 2023 is ₹ 368.85 Crore)

e) Off balance sheet SPVs sponsored

As at March 31, 2024, the Bank does not have any off balance sheet SPVs Sponsored. (Previous Year: Nil)

f) Transfers to Depositor Education and Awareness Fund (DEA Fund)

Particular	March 31, 2024	March 31, 2023
Opening balance of amounts transferred to DEA Fund	20.57	18.71
Add: Amounts transferred to DEA Fund during the year	2.19	2.64
Less: Amounts reimbursed by DEA Fund towards claims	0.74	0.78
Closing balance of amounts transferred to DEA Fund	22.02 [#]	20.57 [#]

[#]includes Rs. 0.08 Crores (Previous year - Rs 0.25 crore) paid to the customers, claim raised with RBI but pending to be received.

14 Disclosure relating to Complaints

A) Summary information on complaints received by the bank from customers and from the Offices of Banking Ombudsman (OBOs)

Particular	March 31, 2024	March 31, 2023
Complaints received by the bank from its customers		
1 Number of complaints pending at beginning of the year	11	-
2 Number of complaints received during the year	883	1,125
3 Number of complaints disposed during the year	879	1,114
3.1 Of which, number of complaints rejected by the bank		
4 Number of complaints pending at the end of the year	15	11

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

14 Disclosure relating to Complaints (Contd..)**B) Maintainable complaints received by the bank from office of Ombudsman**

Particular	March 31, 2024	March 31, 2023
5 Number of maintainable complaints received by the bank from Office of Ombudsman	85	90
5.1 Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	81	83
5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	4	1
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	-	-
6 Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note : Maintainable complaints count is as per data received from RBI for complaints closed during the period from 01.04.2023 to 31.03.2024

C) Complaints received from Reserve Bank of India (RBI)

1 No. of complaints received during the period	7
2 No. of complaints disposed of during the period	7
2.1 Of which, number of complaints rejected by the Bank	0
3 No. of complaints pending at the end of the year	0

D) I Total Number of Complaints	1465
II Complaints redressed by the bank within one working Day	490
III Net Reportable complaints (I- II) (A2+B5+C1)	975

Note: With reference to Para 16.5 of the RBI- Master Circular on Customer Service dated July 1, 2015, the Bank has excluded the complaints which were redressed within the next working day

E) Top five grounds of complaints received by the bank from customers for the year ended March 31, 2024

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days	Number of Complaints received over the previous year
	F.Y. 2023-2024					
Ground 1 : Loans & Advances	8	420	-22%	6	2	536
Ground 2 : Account Related (Passbook, Cheque book, Fixed Deposit, Closure of account etc.)	6	205	49%	5	-	138
Ground 3 : Staff Behaviour	-	161	632%	-	-	22
Ground 4 : Mobile Banking	-	88	-	1	-	-
Ground 5 : Perpetual Non Cumulative Preference Shares (PNCPS) issued to erstwhile institutional depositors	-	14	8%	-	-	13

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

14 Disclosure relating to Complaints (Contd..)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days	Number of Complaints received over the previous year
1	2	3	4	5	6	
	FY. 2023-2024					FY. 2022-2023
Others :						
a. Locker	-	6	0%	1	-	6
b. DICGC	-	5	-97%	-	-	176
c. Death Claim	1	3	-73%	1	-	11
d. Recovery Agents	-	3	-	-	-	-
e. Amalgamation Scheme	-	-	-	-	-	35
f. Early Encashment Scheme	-	-	-	-	-	27
g. Third Party Service Complaint	1	-	-	-	-	20
h. Miscellaneous (PMJJY, Shares, Forex, Channel Banking, LTD etc.)	1	70	89%	1	-	37
Others Total (a to h)	3	87	-72%	3	-	312
Total	17	975	-5%	15	2	1,021

Note:

Grounds of complaints (Section E) includes maintainable complaints received from RBI Ombudsman as well as directly from other departments of RBI. Till last year only complaints received directly from customers were reported here.

The number of complaints received over the previous year has been updated to include those received from the RBI Ombudsman as well as directly from other departments of RBI.

Additionally complaints closed in 0-1 days in the last financial year are excluded.

Due to unavailability of maintainable complaints reports for the entire last financial year (FY 2022-23) on the RBI portal, all complaints received from the RBI Ombudsman are included. However, for the current financial year, only maintainable complaints have been included.

The number of complaints pending at the beginning of the year (17 complaints) has been restated to include complaints received from the RBI Ombudsman (6 complaints), which were not included in the last year's disclosure.

15 Disclosure of penalties imposed by the Reserve Bank of India

During the year ended March 31, 2024, no penalty was imposed by the RBI on the Bank. (Previous Year : Nil)

16 Disclosures on remuneration

a) Qualitative Disclosures

(i) Information relating to the composition and mandate of the Nomination and Remuneration Committee.

In compliance of Companies Act 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Banking Regulation Act 1949 and other guidelines as applicable, the Board of Directors has constituted Nomination and Remuneration Committee (NRC) to oversee the framing, review, and implementation of the Compensation Policy of the Bank.

The Nomination and Remuneration Committee of the Board consist of 4 Independent Directors which is in line with the applicable guidelines. The committee works in coordination with Risk Management Committee & Audit Committee of the Board, for achieving effective alignment between Risk and Remuneration.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

16 Disclosures on remuneration (Contd..)

(ii) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.

The Bank's Remuneration Policy (the 'Policy') is aligned to business strategy, market dynamics, internal characteristics and complexities within the Bank. The ultimate objective of the Policy is to provide a fair and transparent structure that helps in acquiring and retaining the talent pool critical to build competitive advantage and brand equity. The Policy has been designed basis the principles for sound compensation practices in accordance with regulatory requirements and provides a framework to create, modify and maintain appropriate compensation programs and processes with adequate supervision and control. The Remuneration Policy is designed and structured in a way that it ensures that the compensation is reasonable, taking into account all relevant factors including industry practice with a mix of fixed and variable component.

(iii) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.

The Bank takes into account various types of risks in its remuneration processes. The Bank follows a comprehensive framework that includes within its ambit the key dimensions of remuneration such as fixed pay, variable pay and long term Incentive (ESOP's). The Bank has devised appropriate malus and claw back clauses as a risk mitigant for any negative contributions of the Bank and / or relevant line of business in any year for Whole Time Directors and employees in certain grades. Under the malus clause the incumbent foregoes the vesting of the deferred variable pay in full or in part. Under the claw back clause the incumbent is obligated to return all the tranches of bonus payout pertaining to the reference performance year. The deferred bonus is paid out post review and approval by the NRC.

(iv) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.

The Bank has a robust performance management system for evaluating the performance of its employees. The performance appraisal system is based on qualitative as well as quantitative factors of performance. The main performance metrics include profitability, business growth, compliance, and customer service. The assessment of employees shall be based on their performance with respect to their result areas.

(v) A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.

The bank has a policy of deferral of Variable pay for MRTs in accordance with the guidelines issued by RBI. Currently this is applicable only for MRTs. 50% of the variable pay is paid in Non cash instruments with deferral of minimum 3 years event the cash variable pay exceeds ₹ 25 lakhs. The bank has created an ESOP Scheme with cliff vesting after 5 years from the time of grant. The deferral of variable pay is applicable only for non cash instruments. For cash payment the same is not applicable.

(vi) Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilizes and the rationale for using these different forms.

The Bank recognises the importance of variable pay in reinforcing a pay for performance culture. Variable pay stimulates employees to stretch their abilities to exceed expectations.

Annual Performance Bonus: These are paid to reward performance for a given financial year. This covers all employees and is based on performance of the business unit, performance rating, job band and functional category of the individual. The deferral period for ESOPs will be governed by the ESOP Scheme

b) Quantitative disclosures

Sr. No	Subject	March 31, 2024	March 31, 2023
(a)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and Remuneration paid to its members.	3 0.19	4 0.05
(b) (i)	Number of employees having received a variable remuneration award during the financial year.	4	-
(ii)	Number and total amount of sign-on/joining bonus made during the financial year.	1 Employee and Joining Bonus Paid - 0.12 Crores	-

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

16 Disclosures on remuneration (Contd..)

Sr. No	Subject	March 31, 2024	March 31, 2023
(iii)	Details of severance pay, in addition to accrued benefits, if any.	-	-
(c) (i)	Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms.	Number of ESOP Options : 85,23,943	-
(ii)	Total amount of deferred remuneration paid out in the financial year.	-	-
(d) (i)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Fixed Pay : ₹ 7.82 Crs Variable Pay (Performance Bonus) : ₹ 2.20Crs	-
(e) (i)	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	-	-
(ii)	Total amount of reductions during the financial year due to ex post explicit adjustments.	-	-
(iii)	Total amount of reductions during the financial year due to ex post implicit adjustments.	-	-
(f) (i)	Number of MRTs identified.	5	1
(g) (i)	Number of cases where malus has been exercised	-	-
(ii)	Number of cases where clawback has been exercised.	-	-
(iii)	Number of cases where both malus and clawback have been exercised.	-	-
(h)	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	1)The mean pay for the Bank as a whole is Rs. 6,47,837/- calculated on annualised Fixed Pay. 2)The deviation of the fixed pay of the Managing Director & CEO to the mean pay of the Bank as a whole is 18 times as of March 31, 2024.	Not applicable

For FY 2023-24, the Non-Executive Directors of the Bank were paid remuneration (including sitting fees) of ₹ 1.11 crore (previous year: ₹ 1.01 crores) for attending meetings of the Board and Committees.

17 Other Disclosures

a) Business Ratio

Sr. No	Ratio	March 31, 2024	March 31, 2023
(i)	Interest Income as a percentage to Working Funds ¹	12.65%	9.14%
(ii)	Non interest income as a percentage to Working Funds ¹	2.22%	0.85%
(iii)	Operating Profit ² as a percentage to Working Funds ¹	3.80%	1.89%
(iv)	Return on Assets	4.00%	0.43%
(v)	Cost of Deposits ⁴	6.32%	6.74%
(vi)	Net Interest Margin ³	9.36%	5.52%
(vii)	Business ⁶ (deposits plus advances) per employee (₹ in crore) ⁵	3.11	2.43
(viii)	Profit per employee (₹in crore) ⁵	0.09	0.01

1. Working funds represents the monthly average of total assets computed for reporting dates of Form X submitted to RBI under section 27 of the Banking Regulation Act, 1949

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

17 Other Disclosures (Contd..)

2. Operating Profit is the net profit/(loss) for the year before provisions and contingencies
3. Net Interest Income/Average earning assets. Net Interest Income = Interest Income - Interest Expenses
4. Average deposit is based on month end balances
5. Productivity Ratios are based on average of month end employee numbers
6. Business is the total of closing deposits (net of inter-bank deposits) and net advances

b) Bancassurance business

Commission income for the year ended March 31, 2024 includes fees of ₹ 48.33 crores (previous year: nil) in respect of insurance business.

c) Marketing and distribution

Other income for the year ended March 31, 2024 includes income from marketing and distribution of ₹ 5.5 crore (previous year: Nil), which comprises of income for displaying publicity materials at the Bank's branches / ATMs etc.

d) Disclosures regarding Priority Sector Lending Certificates(PSLCs)

During the year ended March 31, 2024, No PSLCs have been sold and purchased by the Bank. (Previous Year : Nil)

e) Provisions and contingencies

The following table sets forth, for the periods indicated, the break-up of provisions and contingencies included in Profit and Loss Account:

Sr. No	Provision debited to Profit and Loss Account	March 31, 2024	March 31, 2023
(i)	Provision towards NPA	-3,441.27	123.63
(ii)	Deferred tax assets	22.86	-22.11
(iii)	Provision for Standard asset	16.22	6.74
(iv)	Write off of loans	3,405.92	8.81
(v)	Others	-25.95	0.11
	Total	-22.22	117.18

Note

1. The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognizes a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where it is not probable that an outflow of resources will be required to settle the obligation, disclosure to this effect is made as contingent liabilities in the financial statements.

f) Implementation of IFRS converged Ind AS

The Minister of Corporate affairs, in its press release dated January 18,2016, has issued a roadmap for implementation of Indian Accounting Standards (Ind-As) for scheduled commercial banks, insurers/Insurance companies and non banking financial companies, which was subsequently confirmed by RBI through its circular dated February 11, 2016. This roadmap required these institution to prepare Ind-AS financial statements for the accounting periods beginning April 1, 2018 with comparatives for the period beginning April 1, 2017. The implementation of the IND-AS by banks requires certain legislative changes in the format of financial statement to comply with the disclosure required under IND AS. In April 2018, the RBI deferred the implementation of IND As by a year by when the necessary legislative amendments were expected. The legislative amendments recommended by the RBI are under consideration by the Government of India. Accordingly, the RBI, through its circular dated March 22, 2019, deferred the implementation of IND AS until further notice. The Bank had undertaken preliminary diagnostic analysis of the GAAP differences between Indian GAAP vis-a-vis Ind AS and shall proceed for ensuring the compliance as per applicable requirements and directions in this regard.

g) Implementation of RBI circular on Investment classification and valuation

RBI revised the regulatory framework on investments vide notification dated 12 September 2023, in view of the significant developments in the global standards on classification, measurement and valuation of investments, the linkages with the capital adequacy framework as well as progress in the domestic financial markets. The revised framework as detailed in the Reserve Bank of India (Classification, Valuation and Operation of Investment Portfolio of Commercial Banks) Directions, 2023 shall be applicable from April 1, 2024, to all

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

17 Other Disclosures (Contd..)

Commercial Banks, including Small Finance Banks. The Bank has implemented this revised framework with effect from April 1, 2024 in accordance with the said regulations.

h) Payment of DICGC Insurance Premium

Sr. No	Particulars	March 31, 2024	March 31, 2023
(i)	Payment of DICGC Insurance Premium	4.17	3.26
(ii)	Arrears in payment of DICGC premium	-	-

18 Contingent liabilities

Ratio	March 31, 2024	March 31, 2023
Claims against the bank not acknowledged as debts - Taxation	5.42	4.97
Claims against the bank not acknowledged as debts - Others	0.21	0.21
Liability for partly paid investments	14.98	5.26
Guarantees given on behalf of constituents in India *	24.49	27.82
Other items for which the Bank is contingently liable		
-DEAF	21.94	20.32
-Capital Commitment	9.76	17.67
-Undrawn commitment	45.77	28.73
-Undrawn partial credit enhancement facilities	4.23	-
Total	126.81	104.98

*This conservatively includes such Bank Guarantees given by erstwhile PMC Bank which have expired but have not been returned back to the Bank's counters.

Description of contingent liabilities

a) Claims against the Bank not acknowledged as debts - taxation

The Bank is a party to various taxation matters in respect of which appeals are pending. The Bank expects the outcome of the appeals to be favourable based on decisions on similar issues in the previous years by the appellate authorities, based on the facts of the case and taxation laws.

b) Claims against the Bank not acknowledged as debts - others

The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.

c) Liability for partly paid investments

This represents amount remaining unpaid towards liability for partly paid investments.

d) Guarantees given on behalf of constituents, acceptances, endorsements and other obligations

This item represents the guarantees and documentary credits issued by the Bank in favour of third parties on behalf of its customers, as part of its trade finance banking activities with a view to augment the customers' credit standing. Through these instruments, the Bank undertakes to make payments for its customers' obligations, either directly or in case the customers fail to fulfill their financial or performance obligations.

e) Other items for which the Bank is contingently liable

These include: a) Capital commitments; b) Undrawn commitments; c) Amount transferred to the RBI under the Depositor Education and Awareness Fund (DEAF); d) Undrawn partial credit enhancement facilities.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

19 Provision on Standard Assets

Particulars	March 31, 2024	March 31, 2023
Provision towards standard assets	36.89	19.26

20 Fraud accounts

Ratio	March 31, 2024	March 31, 2023
Number of frauds reported during the year	5	9
Amount involved in fraud (₹ crore)	0.12	0.14
Amount of provision made during the year for such frauds (₹ crore) excluding recovery	0.12	0.12
Amount of Unamortised provision debited from 'other reserves' as at the end of the year (₹ crore)	-	-

21 Employee benefits**Employee benefits - Gratuity**

The Bank has non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and years of service. Every employee who has completed five years or more of service gets a gratuity on cessation of employment at 15 days salary (last drawn basic salary) for each completed year of service, subject to a maximum of ₹ 20 Lakhs. The scheme is funded with LIC of India and HDFC Standard Life Insurance Company Ltd. The following tables summarise the components of net benefit expense recognised in the Profit and Loss Account and the funded status and amounts recognised in the Balance Sheet.

Expenses recognised in the Profit and Loss Account	March 31, 2024	March 31, 2023
Current service cost	2.44	2.42
Interest cost on benefit obligation	0.70	0.48
Past Service Cost	-	-
Expected return on plan assets*	-	-
Net actuarial (gain)/ loss recognized in the year	(0.76)	(1.63)
Employer Expenses	2.39	1.27

* Represents expected returns determined by the actuary

Net Liability/ (Asset) recognised in the Balance Sheet	March 31, 2024	March 31, 2023
Present value of Defined Benefit Obligation	36.48	37.99
Fair value of plan assets	24.45	28.25
Net liability recognized in balance sheet	12.03	9.74
Less: Unrecognised Past Service Cost	-	-
Liability recognized in balance sheet	12.03	9.74

Reconciliation of Defined Benefit Obligation (DBO)	March 31, 2024	March 31, 2023
Present Value of DBO at start of year	37.99	41.43
Interest cost	2.72	2.35
Current service cost	2.44	2.42
Liability transferred in /Acquisitions	-	-
Past Service Cost	-	-
Benefits paid	(5.18)	(6.60)
Actuarial loss	(1.49)	(1.60)
Present Value of DBO at end of year	36.48	37.99

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

21 Employee benefits (Contd..)

Reconciliation of fair value of plan assets	March 31, 2024	March 31, 2023
Fair Value of Plan Assets at start of year	28.35	32.96
Expected return on plan assets	2.02	1.86
Contributions by the employer	-	-
Asset transferred In/Acquisitions	-	-
Benefits paid	(5.18)	(6.60)
Actuarial (loss)/ gain	(0.73)	0.03
Fair value of plan assets at end of year	24.45	28.25
Estimated employer contributions for the next year	11.02	8.28
Actual return on plan assets	1.29	1.89

The principal assumptions used in determining gratuity obligations for the Bank's plan are shown below:	March 31, 2024	March 31, 2023
Discount rate	7.16%	7.29%
Expected rate of return on assets	7.16%	7.29%
Employee turnover	25.00%	25.00%
Salary growth rate	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Expected average remaining working lives of employees	3 years	3 years

Percentage break-down of total plan assets

	March 31, 2024	March 31, 2023
Insurer Managed Funds (non unit-linked)	100.00%	100.00%
Total	100.00%	100.00%

Planned Asset Break up for Non Linked Fund - HDFC Standard Life Insurance Company Ltd

	March 31, 2024	March 31, 2023
Government Securities	35.16%	51.27%
Corporate Bonds	57.10%	42.67%
Cash and Deposit	7.74%	6.06%
Total	100.00%	100.00%

Planned Asset Break up for Non Linked Fund - LIC

	March 31, 2024	March 31, 2023
Government Securities	71.05%	71.05%
Corporate Bonds	18.53%	18.53%
Equity	10.42%	10.42%
Total	100.00%	100.00%

Experience Adjustments

Particulars	March 31, 2024	March 31, 2023
Present Value of DBO	36.48	37.99
Fair Valuation of Plan Assets	24.45	28.25
Funded Status [Surplus/(Deficit)]	(12.03)	(9.74)
Experience adjustment on plan liabilities : (Gain) / Loss	(1.62)	0.01
Experience adjustment on plan Assets : Gain / (Loss)	(0.73)	0.03

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

21 Employee benefits (Contd..)

Employee benefits - Compensated Absences

Particular	March 31, 2024	March 31, 2023
The actuarial liability in respect of privilege leave granted to employees of the Bank and outstanding	7.67	4.56
Assumption used:		
Discount rate	7.16%	7.29%
Salary escalation rate	7.00%	7.00%

The estimates of future salary growth considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

All the assets consist of unit-linked and traditional insurer managed debt instruments, the expected rate of return on assets is drawn from the Indian Government bond yields.

Employee benefits - Provident Fund

The contribution to Employees Provident Fund included under "Payments to and Provisions for Employees" in Schedule 16 amounted to ₹ 16.46 Crore for the year ended March 31, 2024 (Previous year: ₹ 10.86 crore)

22 Segment Reporting

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure, the internal business reporting system and guidelines prescribed by the RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The RBI vide its circular dated April 7, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank is in the process of setting up DBUs and hence no Digital Banking Segment disclosure have been made. The business operations of the Bank are in India and for the purpose of segment reporting as per Accounting Standard-17 (Segment reporting) the bank is considered to operate only in domestic segment.

a) Treasury

Treasury performs liquidity management activities for various business segments. Transfer pricing is based on internally approved yield curve or at an agreed transfer rate on the funding provided by treasury to another business segment.

b) Retail banking

The retail banking segment serves retail customers through a branch network. Exposures are classified under retail banking taking into account the status of the borrower (orientation criterion), the nature of product, granularity of the exposure and the quantum thereof.

Revenues of the retail banking segment are primarily derived from interest and fees earned on retail loans, interest on deposits placed as collateral with the Bank. Expenses of this segment primarily comprise interest expense on borrowings, deposits, infrastructure and premises expenses for operating the branch network, personnel costs and other direct overheads.

c) Wholesale banking

Wholesale banking includes all advances to borrowers, which are not included under Retail banking. Revenues of the wholesale banking segment consist of interest and fees on loans made to customers.

d) Other Banking Operation

Other Banking includes other items not attributable to any particular business segment. This segment includes income from para banking activities such as distribution of third party product and the associated costs.

e) Unallocated

All items which are reckoned at an enterprise level are classified under this segment. This includes other unallocable assets and liabilities such as deferred tax etc.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

22 Segment Reporting (Contd..)

Geographical segments

The business operations of the Bank are concentrated in India hence the Bank is considered to operate only in domestic segment.

Segment reporting for the year ended March 31, 2024 is given below:

Particular	Treasury	Retail banking	Corporate	Other banking operations	Total
Segment Revenue	239.50	1,245.28	93.80	51.95	1,630.53
Unallocated Revenue	-	-	-	-	1.39
Income from Operations	-	-	-	-	1,631.91
Segment Result	81.16	276.27	51.44	-	408.87
Unallocated expenses	-	-	-	-	1.39
Operating Profit	-	-	-	-	416.68
Income taxes	-	-	-	-	22.86
Extraordinary profit/loss	-	-	-	-	-
Net Profit	-	-	-	-	-
Other information:	-	-	-	-	-
Segment assets	4,607.56	7,404.14	987.41	-	12,999.10
Unallocated assets	-	-	-	-	774.70
Total assets	-	-	-	-	13,773.80
Segment Liabilities	1,953.51	9,741.33	157.32	-	11,852.17
Unallocated liabilities	-	-	-	-	14.40
Total liabilities	-	-	-	-	11,866.57
Capital employed	-	-	-	-	1,907.23
Capital expenditure	-	-	-	-	67.63
Depreciation	-	-	-	-	24.68

Segment reporting for the year ended March 31, 2023 is given below:

Particular	Treasury	Retail banking	Corporate	Other banking operations	Total
Segment Revenue	160.60	544.27	96.13	-	801.00
Unallocated Revenue	-	-	-	-	2.31
Income from Operations	-	-	-	-	803.31
Segment Result	75.70	-31.32	-34.18	-	10.20
Unallocated expenses	-	-	-	-	2.31
Operating Profit	-	-	-	-	12.51
Income taxes	-	-	-	-	22.11
Extraordinary profit/loss	-	-	-	-	-
Net Profit	-	-	-	-	34.62
Other information:	-	-	-	-	-
Segment assets	3,055.08	4,186.82	706.22	-	7,948.12
Unallocated assets	-	-	-	-	813.21
Total assets	-	-	-	-	8,761.33
Segment Liabilities	371.41	6,601.97	32.49	-	7,005.87
Unallocated liabilities	-	-	-	-	11.23
Total liabilities	-	-	-	-	7,017.10
Capital employed	-	-	-	-	1,744.23
Capital expenditure	-	-	-	-	29.49
Depreciation	-	-	-	-	16.34

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

23 Related Party Disclosures

As per AS-18, Related Party Disclosure, the Bank's related parties are disclosed below:

Sr. no.	Name of Entity	Nature of relationship
1	Centrum Financial Services Limited	Holding Company
2	Centrum Capital Limited	Ultimate Holding Company
3	Resilient Innovations Private Limited	Other Related Party
4	Centrum Alternatives LLP	Other Related Party
5	Centrum Capital International Limited	Other Related Party
6	Centrum Capital Advisors Limited	Other Related Party
7	Centrum International Services PTE Limited	Other Related Party
8	Centrum Retail Services Limited	Other Related Party
9	Centrum Broking Limited	Other Related Party
10	Centrum Alternative Investment Managers Limited	Other Related Party
11	Centrum Housing Finance Limited	Other Related Party
12	Centrum Wealth Limited	Other Related Party
13	Centrum Insurance Brokers Limited	Other Related Party
14	Centrum Investment Advisory Limited	Other Related Party
15	CCIL Investment Management limited	Other Related Party
16	Business Match Services (India) Private Limited	Other Related Party
17	Acorn Fund Consultants Private Limited	Other Related Party
18	JBCG Advisory Services Private Limited	Other Related Party
19	BG Advisory Services LLP	Other Related Party
20	Ignis Capital Advisors Limited	Other Related Party
21	Acapella Foods & Restaurants Private Limited	Other Related Party
22	Club 7 Holidays Limited	Other Related Party

The Bank's related party balances and transaction for the year ended March 31, 2024 are summarised as follows:

Items / Related Party	Holding Company and Ultimate Holding Company	Other Related Party	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Borrowings	-	50.00	-	-	-	50.00
		(50.00)				(50.00)
Deposits Taken	156.30	485.35	-	1.61	69.68	712.93
Deposits Placed by	82.01	52.05	-	3.62	69.12	206.80
Interest Paid To	1.46	7.76	-	0.30	3.32	12.84
Income From Services Rendered To	-	1.45	-	-	-	1.45
Expenses For Receiving Services From	1.26	8.63	-	-	-	9.89
Receivable From	31.27	-	-	-	-	31.27
	(46.98)	-	-	-	-	(46.98)
Reimbursement as per BTA	1.00	-	-	-	-	1.00
Collections on capital account	4.00	13.88	-	-	-	17.88
Payable to	-	0.80	-	-	-	0.80
Guarantees taken	4.66	-	-	-	-	4.66
Remuneration Paid	-	-	-	4.60	-	4.60
Loans sold to	-	45.36	-	-	-	45.36

The Bank's related party balances and transaction for the year ended March 31, 2023 are summarised as follows:

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

23 Related Party Disclosures (Contd..)

Items / Related Party	Holding Company and Ultimate Holding Company	Other Related Party	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Total
Borrowings	-	-	-	-	-	-
Deposits Taken	25.00	31.40	-	0.83	-	57.23
Deposits Placed by	(60.00)	(60.02)	-	(0.83)	-	(120.85)
Advances Given	-	-	-	-	-	-
Fixed Assets Purchased From	0.00	0.00	-	-	-	0.00
Fixed Assets Sold To	-	-	-	-	-	-
Interest Paid To	1.63	22.15	-	0.13	-	23.91
Interest Received From	-	-	-	-	-	-
Income From Services Rendered To	-	1.50	-	-	-	1.50
Expenses For Receiving Services From	0.01	5.34	-	-	-	5.34
Receivable From	27.58	-	-	-	-	27.58
	(27.58)	-	-	-	-	(27.58)
Payable to	0.68	50.43	-	0.10	-	51.22
	(0.68)	(53.72)	-	(0.10)	-	(54.51)
Guarantees Taken	19.39	-	-	-	-	19.39
Remuneration Paid	-	-	-	2.82	-	2.82
Asset transferred under Business transfer agreement#	-	50.04	-	-	-	50.04

*Figures in bracket indicate maximum balance outstanding during the year based on comparison of the total outstanding balances at each quarter end.

*Related parties are in accordance with AS-18 Related Party Disclosures.

24 Deferred Tax Assets

As at March 31, 2024, the Bank has recorded net deferred tax asset of ₹ 740.39 crore (previous year: ₹ 763.25 crore), included in other assets.

The composition of Deferred Tax Assets (DTA) is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax asset arising out of:		
Employee Benefit	5.24	3.71
Provision for Advances/Unused tax losses	743.52	768.78
Others	7.97	4.46
Total (a)	756.73	776.95
Deferred tax liability arising out of:		
Depreciation	16.34	13.70
Total (b)	16.34	13.70
Deferred tax asset (net) (a-b)	740.39	763.25

The bank has considered only current level of Income earning assets, interest bearing liabilities, current capital position and operating expenses on prudent basis and recognized deferred tax assets on unabsorbed business losses under AS 22.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

25 Leases

Operating lease primarily comprises of office premises, vehicle and computers, which are renewable at the option of the Bank. The following table sets forth the details of future rentals payable on operating leases :

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	65.20	34.86
Later than one year but not later than five years	192.49	81.95
Later than five years	109.32	44.99
Total	367.01	161.80
The total lease payments recognised in the Statement of Profit and Loss account for the year	47.59	27.75

The terms of renewal and escalation clauses are those normally prevalent in similar agreements. There are no undue restrictions or onerous clauses in the agreement.

26 Corporate Social Responsibility (CSR)

During the year ended March 31, 2024, the Bank has contributed ₹ 0.30 Crore to Corporate Social Responsibility under section 135 of the Companies Act, 2013 (Previous Year : Nil)

27 Small and micro industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. (Previous Year : Nil)

28 Letter of Comfort

The Bank has not issued letter of comfort during the year ended March 31, 2024 (Previous Year : Nil)

29 Investor Education and Protection Fund

There is no amount required to be transferred to Investor Education and Protection Fund by the Bank for the financial year 2023-24 (Previous Year : Nil)

30 Code on social security

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are not yet issued. The Bank will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

31 Disclosure under Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014

The Bank, as part of its normal banking business, grants loans and advances to its constituents including foreign entities with permission to lend or invest or provide guarantee or security or the like in other entities identified by such constituents. Similarly, the Bank accepts deposits from its constituents, who may instruct the Bank to lend/invest/provide guarantee or security or the like against such deposit in other entities identified by such constituents. These transactions are part of Bank's normal banking business, which is conducted after exercising proper due diligence including adherence to "Know Your Customer" guidelines as applicable in respective jurisdiction. Other than the nature of transactions described above, the Bank has not advanced/lent/invested/provided guarantee or security to or in any other person with an understanding to lend/invest/provide guarantee or security or the like to or in any other person. Similarly, other than the nature of transactions described above, the Bank has not received any funds from any other person with an understanding that the Bank shall lend or invest or provide guarantee or security or the like to or in any other person.

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

32 Other Liabilities (including Provision)

Details of items under other liabilities (Schedule 5 – Other Liabilities and Provisions) exceeding 1% of total assets of the Bank are given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Reserve Fund for "Payable to PMC Depositors upto 5 years" in accordance with the Scheme (Refer Note 18(1)(a)(ix))	1,191.86	1,233.15
Reserve Fund for "Payable to PMC Depositors at the end of 10 years" in accordance with the Scheme (Tier II Bond for the purpose of CRAR calculations) (Refer Note 18(1)(a)(x) and Note 18(1)(f)(ii) (b))	1,124.89	1,026.10
Reserve Fund for "Payable to DICGC" in accordance with the Scheme (Refer Note 18(1)(a)(xi))	724.26	658.64
Liability towards devolved LC / invoke BG (refer note 18 (1) (a))	263.72	263.41
Payable to National Housing Bank	149.13	149.13
General/additional Provision on Standard Assets	200.50	243.00

33 Details of payments to auditor as per profit and loss Account

Particulars	As at March 31, 2024	As at March 31, 2023
Audit fees	0.50	0.45
Tax audit fees	-	-
Other services	0.10	0.06
Out of pocket expenses	-	0.00
Total	0.60	0.51

34.1 Other Income

Miscellaneous Income includes ₹ 26.89 crore towards recoveries from written off advances. (Previous Year : ₹ 29.96 crores towards liquidity assistance scheme offered by the bank)

34.2 In line with RBI circular dt.29th April 2024 ' Fair practices code for lenders - Charging of interest', the Bank has reversed the interest income to the extent of Rs 10 crores (on an estimated basis) and accounted for the same as liability in the books of account as on 31st March 2024. The Bank is in the process of refunding/giving credit to the customers in compliance with the said circular.

35 Other Expenditure

Details of items under other expenditure (Schedule 16 – Operating Expenses) exceeding 1% of total income of the Bank are given below:

For the year ended 31 March, 2024

Particulars	As at March 31, 2024
Direct Selling Agent commission (Including Sourcing /Service fee)	139.87
Legal & Professional Fees	25.43

For the year ended 31 March, 2023

SCHEDULE 18 - Notes forming part of the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees in crore unless otherwise stated)

35 Other Expenditure (Contd..)

Particulars	As at March 31, 2023
Direct Selling Agent commission	40.03
Legal & Professional Fees	20.70
Security Charges	8.69

36 Comparative figures

Figures for the previous year have been regrouped and reclassified wherever necessary to conform to the current year's presentation.

As per our report of even date
For **V Sankar Aiyar & Co.**
Chartered Accountants
Firm Registration No : 109208W

For and on behalf of the Board of Directors

Asha Patel
Partner
Membership No. 166048

Pronab Sen
Part-time Chairman & Independent Director
(DIN: 07831725)

David Rasquinha
Independent Director
(DIN: 01172654)

Inderjit Camotra
Managing Director & CEO
(DIN: 09602543)

Abhishek Baxi
Chief Financial Officer (CFO)

Place: Mumbai
Date: May 04, 2024

Archana Goyal
Company Secretary(CS)

Forward looking statement

Some information in this report may contain forward-looking statements which include statements regarding the Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



Diversified Integrated Financial Services Group

Servicing Emerging Corporates, HNWIs and Retail Clients since 1997



₹ 2,239 Crore
Consolidated Income

₹ 39,000 Crore
AUM - Centrum Wealth

~400
Banking Outlets & Offices

₹ 2+ Trillion
Capital raised for clients

5,000+
Employees

1st
Banking licence issued by
RBI after a gap of 7 years

*As on 31st March 2024



Unity Small Finance Bank Limited

CIN: U65990DL2021PLC385568

Registered Office

40, Basant Lok, Vasant Vihar,
New Delhi - 110057
Tel: 011-47414100

Corporate Office

Centrum House, CST Road,
Vidyanagari Marg, Kalina, Santacruz
(East), Mumbai 400098

Tel: 022-42159000

Website: www.theunitybank.com

Email: care@unitybank.co.in





HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

INDEPENDENT AUDITOR'S REPORT

TO PARTNERS OF CENTRUM ALTERNATIVE LLP

Report on the Standalone Financial statements

Opinion

We have audited the accompanying standalone Financial statements of **CENTRUM ALTERNATIVE LLP** ("the LLP"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial statements give the information required by the Limited Liability Partnership Act, 2008 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India issued by the Institute of Chartered Accountants of India ("ICAI"), of the state of affairs of the LLP as at March 31, 2024, its profit and its cash flow for the year ended on that date.

Basis for Opinion

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

Responsibilities of the Management for the Financial statements

The LLP's Management (designated Partners) is responsible for the preparation of these Financial statements in accordance with the Rule 24 of the Limited Liability Partnership Rule, 2009("the Rules") that give a true and fair view of the financial position, financial performance, and cash flows of the LLP in accordance with the accounting principles generally accepted in India issued by ICAI and the provision of the Act. This responsibility also includes maintenance of adequate accounting records for safeguarding of the asset of the company and for preventing and detecting frauds

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Ph.: +91 9867438720 Email: hemant@hemantgoyalassociate.in



HEMANT GOYAL & ASSOCIATES

CHARTERED ACCOUNTANT

and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial statements, Management is responsible for assessing the LLP'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 intends to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.

Management are also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial statements

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

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

- Identify and assess the risks of material misstatement of the Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on the effectiveness of LLP'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



HEMANT GOYAL & ASSOCIATES

C H A R T E R E D A C C O U N T A N T

the LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

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

We communicate with the Management 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 management 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.

For Hemant Goyal and Associates
Chartered Accountants
FRN-138639W

Hemant Goyal
Proprietor
M.No. 131566

Mumbai
Date: - June 26, 2024
UDIN-24131566BKDACC7080

Centrum Alternatives LLP
Balance Sheet as at 31st March 2024
(All amounts in INR, unless otherwise stated)

(Amount in Rs.)

	Particulars	Note	31 March 2024	31 March 2023
I	EQUITY AND LIABILITIES			
1	Partners' Funds			
(a)	Partners' Capital Account			
(i)	Partners' Contribution	3a	8,75,66,967	8,75,66,967
(ii)	Partners' Current Account	3b	(3,39,21,445)	(8,31,05,183)
			5,36,45,522	44,61,784
2	Non-current liabilities			
(a)	Long-term borrowings	4	-	6,87,745
			-	6,87,745
3	Current liabilities			
(a)	Short-term borrowings	4	6,87,743	12,56,805
(b)	Other current liabilities	5	23,77,753	-
(c)	Short-term provisions	6	1,05,000	1,04,907
			31,70,496	13,61,712
	Total		5,68,16,018	65,11,242
II	ASSETS			
1	Non-current assets			
(a)	Property, Plant and Equipment and Intangible assets			
(i)	Property, Plant and Equipment	7	17,13,875	25,05,215
(b)	Other non-current assets	8	64,23,939	13,69,036
			81,37,814	38,74,251
2	Current assets			
(a)	Short Term Loans and Advances	9	-	17,55,356
(b)	Cash and bank balances	10	4,86,74,504	8,79,454
(c)	Other current assets	11	3,700	2,181
			4,86,78,204	26,36,991
	Total		5,68,16,018	65,11,242
	Brief about the Entity	1		
	Summary of significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements			

For Hemant Goyal & Associates
Chartered Accountants
ICAI Firm registration Number : 138639W

For and on behalf of Centrum Alternatives LLP

Hemant Goyal
Partner
Membership No. : 131566
Place : Mumbai
Date : 26th June 2024

Jaspal Singh Bindra
On behalf of Centrum Capital
Limited
DPIN : 00128320
Place : Mumbai
Date : 26th June 2024

Mayank Jalan
Designated Partner
DPIN : 07478229

Centrum Alternatives LLP
Statement of Profit and Loss for the year ended 31st March 2024
(All amounts in INR, unless otherwise stated)

(Amount in Rs.)

	Particulars	Note	31 March 2024	31 March 2023
I	Revenue from operations	12	5,32,00,001	11,742
II	Other Income	13	93,290	62,342
III	Total Income (I+II)		5,32,93,291	74,084
IV	Expenses:			
(a)	Employee benefits expense	14	-	-
(b)	Finance costs	15	1,64,515	1,90,049
(c)	Depreciation and amortization expense	16	7,91,340	7,97,040
(d)	Other expenses	17	31,53,699	2,26,308
	Total expenses		41,09,554	12,13,397
V	Profit/(loss) before exceptional and extraordinary items, partners' remuneration and tax (III- IV)		4,91,83,737	(11,39,313)
VI	Profit/(loss) before extraordinary items, partners' remuneration and tax		4,91,83,737	(11,39,313)
VII	Profit before Tax		4,91,83,737	(11,39,313)
VIII	Tax expense:		-	-
IX	Profit/(loss) from discontinuing operations (after tax) (VII-VIII)		4,91,83,737	(11,39,313)
X	Profit/(Loss) for the year		4,91,83,737	(11,39,313)
	The accompanying notes are an integral part of the financial statements			

For Hemant Goyal & Associates
Chartered Accountants
ICAI Firm registration Number : 138639W

For and on behalf of Centrum Alternatives LLP

Hemant Goyal
Partner
Membership No. : 131566

Jaspal Singh Bindra
On behalf of Centrum Capital
Limited
DPIN : 00128320

Mayank Jalan
Designated Partner
DPIN : 07478229

Place : Mumbai
Date : 26th June 2024

Place : Mumbai
Date : 26th June 2024

Centrum Alternatives LLP
Cash Flow Statement for the year ended 31st March 2024
(All amounts in INR, unless otherwise stated)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	4,91,83,737	(11,39,313)
Add / (Less) : Adjustments for		
Interest Expenses	1,64,515	1,90,049
Depreciation/Amortisation	7,91,340	7,97,040
Operating loss before working capital changes	5,01,39,592	(1,52,224)
Adjustments for:		
Decrease/(Increase) in other financial asset	(1,519)	23,21,701
Decrease/(Increase) in other current assets	(83,54,451)	10,92,537
Increase/(Decrease) in other financial liabilities	28,77,846	(5,20,483)
Increase/(Decrease) in borrowings	(12,56,806)	(1,88,475)
Net cash used in Operations	4,34,04,662	25,53,056
Taxes paid / (refunds) - net of refunds	(50,54,903)	5,44,598
Net cash used in Operating Activities (A)	4,84,59,565	20,08,459
CASH FLOW FROM INVESTING ACTIVITIES		
sale / (purchase) of Fixed Assets	-	12,124
Net cash generated from/(used in) Investing Activities (B)	-	12,124
CASH FLOW FROM FINANCING ACTIVITIES		
Contribution repayment to partners	-	(20,00,000)
Proceeds from Borrowings	-	5,00,000
Repayment of Borrowings	(5,00,000)	-
Interest Paid	(1,64,515)	(1,90,048)
Net cash generated from/(used in) Financing Activities (C)	(6,64,515)	(16,90,048)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	4,77,95,050	3,30,535
As at the beginning of the year	8,79,454	5,48,919
Closing cash and cash equivalents	4,86,74,504	8,79,454
As at the end of the year (refer note 3)		
Balance with scheduled banks-Current accounts	4,86,74,504	8,79,454
Closing cash and cash equivalents	4,86,74,504	8,79,454

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Hemant Goyal & Associates
Chartered Accountants
ICAI Firm registration Number : 138639W

For and on behalf of Centrum Alternatives LLP

Hemant Goyal
Partner
Membership No. : 131566

Jaspal Singh Bindra
On behalf of Centrum Capital Limited
DPIN : 00128320

Mayank Jalan
Designated Partner
DPIN : 07478229

Place : Mumbai
Date : 26th June 2024

Place : Mumbai
Date : 26th June 2024

Centrum Alternatives LLP**Notes to accounts for the year ended and as at 31 March 2024****(All amounts in INR, unless otherwise stated)**

1. FIRM OVERVIEW

Centrum Alternative LLP (the 'LLP') is a Limited Liability Partnership incorporated on 27th July, 2017 with its registered office located at Centrum House, CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai 400098.

The profit/loss sharing ratio as per the partnership deed is as flows:

Partner	Ratio
Mr. Mayank Jalan	0.0001%
Mr. Kapil Bagla	0.0001%
Centrum Capital Limited	99.9998%

The Firm is carrying on the business:

(a) to act as investment advisors or managers, portfolio managers, financial consultants or management consultants and to render all other related support and incidental services.

(b) to act as an sponsor, trustee, manager or beneficiary to investment funds.

2. SIGNIFICANT ACCOUNTING POLICIES**2.a Basis of preparation**

The Financial Statements have been prepared on accrual basis under historical cost convention and in accordance with the applicable accounting standards prescribed by the Institute of Chartered Accountants of India (ICAI). The accounting policies are consistently applied unless otherwise stated.

2.b Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.c Property, Plant & 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. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

2.d Depreciation on Property, Plant & Equipment

Depreciation on property, plant and equipment is provided on straight line method over the useful lives of assets except for leasehold improvements. Leasehold improvements are amortized over a period of lease or useful life whichever is less.

Particulars	Years
Vehicles	8

2.e Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Firm and the amount of the revenue can be reliably measured with no uncertainty as regards to ultimate collection.

Income from services:

Revenue is recognised and accounted on rendering of services in accordance with the terms of arrangement by reference to the stage of completion of the contract.

Interest income:

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income:

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

2.f Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

2.g 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 year when the contributions to the fund is due. There are no other obligations other than the contribution payable to the fund.

Defined benefit plans:

Under Payment of Gratuity Act, 1972 'Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year'. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at year end.

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.

2.h Cash and cash equivalents

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.

2.i Borrowing costs

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

2.j Taxation

The taxation payable on profits of the Firm is the personal liability of the members and is not dealt with the financial statements. A retention from profit distribution is made to fund the taxation payments on behalf of partners. Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income tax:

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

2.k Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Centrum Alternatives LLP

Notes forming part of the Financial Statements for the year ended, 31st March, 2024

(All amounts in INR, unless otherwise stated)

Note - 3a Partners Contribution Account

(Amount in Rs.)

Sr. No.	Name of Partner	Agreed contribution	Share of profit/ (loss) (%)	As at 1st April 2023 (Opening Balance)	Introduced/contributed during the year	Remuneration for the year	Interest for the year	Withdrawals during the year	Share of Profit / Loss for the year	As at 31st March 2024 (Closing Balance)
1	Centrum Capital Limited		99.99%	8,75,66,667	-	-	-	-	-	8,75,66,667
2	Kapil Bagla		0.00%	150	-	-	-	-	-	150
3	Mayank Jalan		0.00%	150	-	-	-	-	-	150
				8,75,66,967	-	-	-	-	-	8,75,66,967
Previous Year (PY)				8,95,66,967	-	-	-	-	-	8,95,66,967

Note - 3b Partners Current Account

(Amount in Rs.)

Sr. No.	Name of Partner	Share of profit/ (loss) (%)	As at 1st April 2023 (Opening Balance)	Introduced/contributed during the year	Remuneration for the year	Interest for the year	Withdrawals during the year	Share of Profit / Loss for the year 2024	As at 31st March 2024 (Closing Balance)
1	Centrum Capital Limited		(8,31,05,150)	-	-	-	-	4,91,83,639	(3,39,21,511)
2	Kapil Bagla		(16)	-	-	-	-	49	33
3	Mayank Jalan		(16)	-	-	-	-	49	33
			(8,31,05,183)	-	-	-	-	4,91,83,737	(3,39,21,445)
Previous Year (PY)			(7,25,48,682)	-	-	-	-	(94,17,187)	(8,19,65,869)

Centrum Alternatives LLP

Notes forming part of the Financial Statements for the year ended, 31st March, 2024

(All amounts in INR, unless otherwise stated)

		(Amount in Rs.)			
		Long Term		Short Term	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
4	Borrowings				
	<u>Secured</u>				
	(a) Long term/current maturities of finance lease obligation	-	6,87,745	6,87,744	7,56,805
	Total (A)	-	6,87,745	6,87,744	7,56,805
	<u>Unsecured</u>				
	(a) Term loans				
	(b) Loans and advances from related parties	-	-	-	5,00,000
	Total (B)	-	-	-	5,00,000
	Total (A) + (B)	-	6,87,745	6,87,744	12,56,805

5 Other current liabilities		31 March 2024	31 March 2023
(a)	Goods and Service tax payable	23,06,624	-
(b)	TDS payable	71,129	-
	Total Other current liabilities	23,77,753	-

6 Short term - Provision		31 March 2024	31 March 2023
(a)	Other payables - Provision for Expenses	1,05,000	1,04,907
	Total	1,05,000	1,04,907

Centrum Alternatives LLP

Notes forming part of the Financial Statements for the year ended, 31st March, 2024

(All amounts in INR, unless otherwise stated)

7 Property, Plant and Equipment and Intangible Assets (owned assets) (Amount in Rs.)

Particulars /Assets	TANGIBLE ASSETS		
	Office equipment	Vehicles	Total
Gross Block			
At 1 April 2022	79,999	66,45,696	67,25,695
Additions	-	-	-
Deductions/Adjustments	79,999	-	79,999
At 31 March 2023	-	66,45,696	66,45,696
Additions	-	-	-
Deductions/Adjustments	-	-	-
At 31 March 2024	-	66,45,696	66,45,696
At 31 March 2023	-	66,45,696	66,45,696
Depreciation/Adjustments			
At 1 April 2022	60,011	33,51,303	34,11,314
Additions	7,862	7,89,178	7,97,040
Deductions/Adjustments	52,149	-	52,149
At 31 March 2023	-	41,40,481	41,40,481
Additions	-	7,91,340	7,91,340
Deductions/Adjustments	-	-	-
At 31 March 2024	-	49,31,821	49,31,821
At 31 March 2023	-	41,40,481	41,40,481
Net Block			
At 31 March 2024	-	17,13,875	17,13,875
At 31 March 2023	-	25,05,215	25,05,215

Centrum Alternatives LLP

Notes forming part of the Financial Statements for the year ended, 31st March, 2024

(All amounts in INR, unless otherwise stated)

		(Amount in Rs.)			
		31 March 2024		31 March 2023	
8	Other non-current assets			31 March 2024	31 March 2023
(a)	Others - Advance Tax			64,23,939	13,69,036
	Total other non-current other assets			64,23,939	13,69,036
		Long Term		Short Term	
9	Loans and advances	31 March 2024	31 March 2023	31 March 2024	31 March 2023
A	(Secured)	-	-	-	-
	Total	-	-	-	-
		Long Term		Short Term	
B	Loans and advances	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	(Unsecured)				
	Balance with government authorities	-	-	-	17,55,356
	Total	-	-	-	17,55,356
	Total (A + B)	-	-	-	17,55,356
10	Cash and Bank Balances			31 March 2024	31 March 2023
	Cash and cash equivalents				
(a)	On current accounts			4,86,74,504	8,79,454
	Total			4,86,74,504	8,79,454
11	Other current assets			31 March 2024	31 March 2023
	Other current assets			3,700	2,181
	Total			3,700	2,181

Centrum Alternatives LLP

Notes forming part of the Financial Statements for the year ended 31st March, 2024

(All amounts in INR, unless otherwise stated)

		(Amount in Rs.)	
		31 March 2024	31 March 2023
12	Revenue from operations		
(a)	Other operating revenue		
	Revenue from operations	5,32,00,001	11,742
	Total Revenue from operations	5,32,00,001	11,742
13	Other income	31 March 2024	31 March 2023
(a)	Interest income	93,290	62,342
	Total other income	93,290	62,342
14	Employee benefits expense	31 March 2024	31 March 2023
	(Including contract labour)		
(a)	Salaries, wages, bonus and other allowances	-	-
	Total Employee benefits expense	-	-
15	Finance cost	31 March 2024	31 March 2023
(a)	Interest expense		
(i)	On assets on finance lease	1,04,843	1,73,172
(b)	Interest on Borrowings	59,672	16,877
	Total Finance cost	1,64,515	1,90,049
16	Depreciation and amortization expense	31 March 2024	31 March 2023
(a)	on tangible assets (Refer note 11)	7,91,340	7,97,040
	Total Depreciation and amortization expense	7,91,340	7,97,040
17	Other Expenses	31 March 2024	31 March 2023
(a)	Insurance	58,559	1,13,963
(b)	Stamp duty, Registration and filing fees	-	4,928
(c)	Auditor's remuneration (Refer note below)	1,00,000	1,00,000
(d)	Legal and professional charges	29,06,427	6,000
(e)	Miscellaneous expenses	88,713	1,417
	Total	31,53,699	2,26,308
	Note: Auditors' remuneration		
	Audit Fees - Statutory Audit	1,00,000	1,00,000
	Out of Pocket Expenses	-	-
	Total	1,00,000	1,00,000